# Foreign Relations Authorization, FY2004 and FY2005: State Department and Foreign Assistance

Updated April 1, 2004

**Congressional Research Service**
https://crsreports.congress.gov
RL31986

Congressional Research Service
Informing the legislative debate since 1914

SUMMARY

RL31986

April 1, 2004

**Susan B. Epstein, Coordinator**
Specialist in Foreign Policy

# Foreign Relations Authorization, FY2004 and FY2005: State Department and Foreign Assistance

The foreign relations authorization process dovetails with the annual appropriation process for the Department of State (within the Commerce, Justice, State and Related Agency appropriation) and foreign policy/foreign aid activities (within the foreign operations appropriation). Congress is required by law to authorize the spending of appropriations for the State Department and foreign policy activities every two years. Foreign assistance authorization measures (such as authorization for the U.S. Agency for International Development, economic and military assistance to foreign countries, and international population programs) have been merged into the State Department authorization legislation since 1985. Since that time, Congress has not passed a stand-alone foreign assistance authorization bill.

Congressman Hyde introduced H.R. 1950 on May 5, 2003. The House International Relations Committee reported the bill May 16 (H.Rept. 108-105, Part I). H.R. 1950, as reported out by the Committee, contained authorization legislation for FY2004 and FY2005 and included a defense trade and security assistance title, as well as a foreign assistance title. As amended (July 15 and 16) and passed (July 16) by the House, H.R. 1950 also includes the Millennium Challenge Account and Peace Corps provisions. The legislation authorizes about $27 billion for FY2004 and FY2005. The House bill contains the Israeli-Palestinian peace plan, also known as the "road map" which goes beyond the President's plan by including conditions that must be met before the United States can agree to a Palestinian state. Also included are terrorist-related enforcement measures, munition and satellite export controls. Eliminated by amendment was a provision providing $50 million in U.S. contributions to the U.N. Population Fund for each year that the legislation covers. House floor action occurred on July 15th and 16th. The House passed the bill, as amended, by recorded vote (382-42) on July 16th.

The Senate originally reported three separate bills providing authority for only FY2004: a foreign relations authorization (S. 925), a foreign assistance authorization bill (S. 1161) which includes arms export control and counter terrorism measures, and the Millennium Challenge Account (S. 1160). After political differences with unrelated floor amendments in 2003, the Senate gave up trying to vote on S. 925 (within which the other two bills had been merged). On February 27, 2004, Senator Lugar introduced the Senate's new Foreign Relations Authorization Act, FY2005 (S. 2144). The Senate Foreign Relations Committee reported it out on March 18, 2004 (S.Rept. 108-248).

# Contents

## Tables



## Appendixes



## Contacts

# Most Recent Developments

On February 27, 2004, Senator Lugar introduced S. 2144, the Foreign Relations Authorization Act, FY2005. This bill replaces S. 925 which received no Senate floor vote because of political disputes over unrelated floor amendments.[1] The Committee on Foreign Relations reported its new authorization bill out on March 18, 2004 (S.Rept. 108-248).

On May 5, 2003, Congressman Hyde introduced the House Foreign Relations Authorization Act, Fiscal Years 2004 and 2005 (H.R. 1950). The House International Relations Committee held markup on it beginning May 7 and filed a report (H.Rept 108-105) on May 16. If enacted, the House bill would have authorized the Department of State's operations and programs at more than $27 billion for FY2004 and FY2005, and would have establish U.S. policy on the Israeli-Palestinian peace plan, export controls, security assistance to certain foreign countries, and funding for the U.N. Population Fund. House floor action occurred on July 15th and 16th. The House passed the bill on July 16, 2003.

# Background

The foreign *relations* authorization legislation provides authority for the State Department and related foreign policy agencies to conduct foreign policy activities and programs in the coming year. It authorizes foreign policy programs and enacts changes in U.S. foreign policy. It also serves as a vehicle for Congress to influence executive branch management of foreign policy. Since Congress has not passed a foreign *assistance* authorization bill since 1985, activities such as authorization for the U.S. Agency for International Development (USAID), as well as U.S. economic, development, and military assistance are also typically included in the foreign relations authorization legislation.

By law, authorization of foreign policy agencies and programs is required prior to expenditure of Foreign Operations and State Department appropriations. In effect, the authorizing legislation sets spending ceilings for the foreign policy agency appropriations. (See Table 1 in appendix.) Prior to 1995, Congress had reauthorized U.S. government foreign policy agencies and activities in the foreign relations authorization legislation every two years until 1994 (P.L. 103-236, April 30, 1994). P.L. 107-228 is the first stand-alone foreign relations authorization bill that Congress has passed since 1994. In the intervening years, Congress waived the requirement or included authorization in appropriation laws. (See *State Department Authorization History* in the Appendix.)

# Foreign Relations

The foreign relations authorization legislation typically provides authority for State Department spending for such activities as salaries and other operating expenses, passport and visa processing, embassy and Foreign Service activities, as well as public diplomacy and international broadcasting. In addition, the legislation often becomes a convenient vehicle for numerous foreign policy-related issues, such as nonproliferation, human rights, international family

[1] Senator Lugar had introduced the Foreign Relations Authorization Act, Fiscal Year 2004 (S. 925) on April 24, 2003.

planning policy, and international environment issues. Congress can influence U.S. foreign policy regarding specific regions or countries via this biannual legislation, as well.

Legislation in the 108th Congress on foreign relations authorization include H.R. 1950 and S. 2144. The Senate bill provides authorization for FY2005 only and includes Division A — *Foreign Relations Authorization* and Division B — *Foreign Assistance Authorization*. H.R. 1950 has five divisions: Division A is entitled, *Millennium Challenge Account;* Division B is entitled *Peace Corps Expansion Act of* 2003; Division C is entitled *Department of State Authorization Act, Fiscal Years 2004 and 2005;* Division D is entitled *Defense Trade and Security Assistance Reform Act of 2003;* and Division E is *Assistance for Viet Nam*.

## Belarus[2]

Since his election in 1994, Belarusian President Aleksandr Lukashenko has reversed Belarus's modest progress toward democracy and a free market economy and created an authoritarian, Soviet-style regime. The Bush Administration has called him "Europe's last dictator." The 2002 State Department Human Rights report said that Belarus's human rights record is "very poor." Lukashenko has extended his term in office by illegitimate means; drastically reduced the power of the legislature and judiciary; harassed, arrested, and beaten opposition figures (perhaps having four of them killed in 1999); forced the closure of independent media; and restricted freedom of religion. In November 2002, the United States joined 14 European Union countries in imposing a visa ban against Lukashenko and other top Belarusian officials due to Belarus's closure of an OSCE human rights monitoring mission in the country. The visa ban was lifted in April 2003 after the OSCE office was reopened. Belarus allegedly has ties with rogue regimes. Before the war in Iraq, Lukashenko made statements opposing U.S. military action and supporting Saddam Hussein. In April 2003, Deputy Assistant Secretary of State Stephen Pifer said that there have been "repeated reports from a variety of credible sources that Belarus is involved in arms transfers to states or groups that support terrorism, and in the military training of individuals associated with these states." He said those states included Iran and Iraq under Saddam Hussein.[3]

Congressional concerns about Belarus are reflected in the House version of H.R. 1950. Title XVI Section 1601 authorizes U.S. aid to assist Belarusian democracy; Section 1602 authorizes appropriations for increased broadcasting to Belarus by Voice of America and Radio Free Europe/Radio Liberty (RFE/RL); Section 1603 expresses the sense of the Congress that sanctions be imposed on Belarus until conditions are met that require Belarus's democratization; and Section 1604 expresses the sense of the Congress that the President should coordinate with European countries to take measures similar to those in this title. Section 1605 requires the President to report within 90 days and every year thereafter on the sale of weapons or weapons-related assistance to regimes supporting terrorism, and on the personal wealth of Lukashenko and other senior Belarusian leaders.

This title could be viewed as non-controversial in that it does not formally require the Administration to take action, except to submit a regular report on Belarus's military ties with regimes supporting terrorism. The title's authorization for aid for Belarus democratization and VOA and RFE/RL broadcasts is also unlikely to be controversial. Section 1603, which expresses support for, but does not mandate, sanctions against Belarus, could conceivably cause some disquiet among some U.S. allies in Europe, if it were perceived to be part of a U.S. effort to completely isolate Lukashenko. While sharing U.S. distaste for the Belarusian leader, some European countries may worry that isolation could provoke the regime into unpredictable actions,

[3] Associated Press wire dispatch, April 16, 2003

or contribute to instability in a country that will border on the European Union in 2004. Policymakers who support Title XVI argue that Lukashenko's regime is a source of instability, and that the sooner it is deposed and democracy is restored, the more stable the region will be. A mix of sanctions and support for pro-democracy groups would be the best way to achieve this aim, they believe.

Neither the previous Senate version of the bill (S. 925) nor the current one (S. 2144) contain similar provisions.

*CRS Products*

CRS Issue Brief IB95077, *The Former Soviet Union and U.S. Foreign Assistance*, by Curt Tarnoff.

CRS Report 95-776, *Belarus: Country Background Report*, by Steven Woehrel.

## Biotech Agriculture Promotion[4]

U.S. farmers have been rapidly adopting genetically engineered (GE) crops — mainly corn, soybean, and cotton varieties — to lower production costs and improve management. However, many foreign countries are wary of agricultural biotechnology, such as in the European Union (EU) where consumer and environmental organizations have been very vocal in expressing concerns about the human health and environmental impacts of GE crops. U.S. exporters often have encountered barriers to trade in the EU and other markets, where in some cases their sales have been slowed or halted.

Both S. 2144 and H.R. 1950 contain provisions intended to promote agricultural biotechnology in international trade and development. The Senate bill (Sec. 211) would authorize the Secretary of State to support through grants, cooperative agreements, or contracts, "outreach and public diplomacy activities" on the benefits of agricultural biotechnology and science-based regulatory systems, and on the application of agricultural biotechnology for trade and development purposes. Grants cannot exceed $500,000 annually. The House version (Sec. 728) requires the Secretary to provide other countries, as appropriate, scientific evidence on the benefits, safety, and potential uses of agricultural biotechnology. The Secretary of State is required to chair a federal interagency task force to develop and disseminate such scientific information; and to instruct USAID to develop a program demonstrating agricultural biotechnology benefits for the developing world, among other things.

Agricultural groups and the biotechnology industry might be expected to strongly support a biotechnology provision in this legislation; they have been working for a number of years to urge the Administration and Congress to do more to promote the products of U.S. agricultural biotechnology — which, they assert, are as safe as conventionally produced crops — in foreign markets. Some U.S. consumer and environmental advocacy organizations, who have expressed concerns about the safety of such products, might oppose it; others could argue that numerous federal agencies, including the Department of State, the U.S. Trade Representative, and U.S. Department of Agriculture, already are working aggressively to open foreign markets to U.S. biotechnology.

State is the lead department dealing with the so-called Cartagena Biosafety Protocol. This January 2000 agreement, under the U.N. Convention on Biological Diversity, deals with the safe handling, transfer and transboundary movement of bio-engineered organisms and products, and it came into effect in September 2003. The United States is a party to neither the Convention nor the Protocol, but has been attempting to work with the nearly 90 country ratifiers, and others, to ensure that each country's implementation does not present obstacles to U.S. biotechnology exports.

USDA operates numerous programs to promote GE products in international trade. For example, USDA's Foreign Agricultural Service (FAS) has undertaken a variety of activities to educate, train, and provide technical assistance to foreign countries developing and/or purchasing biotechnology products, and to negotiate and resolve disputes with trading partners. Also, Section 3204 of the 2002 farm bill (P.L. 107-171) created a new Biotechnology and Trade Program to provide grants for public and private sector projects that will address nontariff barriers to U.S. agricultural exports involving biotechnology, food safety, disease, or related concerns. The measure authorizes annual appropriations of up to $6 million through FY2007.

*CRS Products*

See *Agricultural Biotechnology* in the CRS Agriculture Policy Briefing Book ([http://www.congress.gov/brbk/html/ebagr52.html]) for more information and references to other CRS reports.

## Child Abduction Prevention[5]

Section 702 of S. 2144 (identical to the measure in S. 925) amends the Immigration and Nationality Act to declare inadmissible any aliens and relatives who support a child being abducted from a parent in the United States who has custody. The alien(s) in question would remain inadmissible until the abducted child is surrendered to the person with custody or until the abducted child reaches age 21. Individuals deemed inadmissible under this provision would be placed on the Consular Lookout and Support System data base with identifying information. Within 180 days after enactment and annually for the following four years, the Secretary of State shall submit a report to specified congressional committees providing factual information on the number of cases over the past year of such inadmissible aliens.

Section 275, H.R. 1950 would require the Secretary of State to establish procedures to notify U.S. embassies regarding international child abduction situations and guidelines for embassy personnel on providing sanctuary. Section 276 is similar to the Senate's section 702, but the House adds "spouse of the abducted child" to the list of inadmissible aliens relatives. The House bill also requires an annual report, but does not stipulate a deadline for the first report.

## Climate Change Policy[6]

H.R. 1950 (Section 730) includes a "Sense of Congress on Climate Change" that "the United States should demonstrate international leadership and responsibility in reducing the health, environmental, and economic risks posed by climate change," through several actions: "taking responsible action to ensure significant and meaningful reductions in emissions of greenhouse gases from all sectors"; creating flexible mechanisms such as tradable credits for emissions reductions and carbon sequestration; participating in international negotiations, including making proposals that have the objective of obtaining U.S. participation in a future binding climate change treaty in a manner consistent with the United Nations Framework Convention on Climate Change (UNFCCC), that "protects the economic interests of the United States, and that recognizes the shared international responsibility for addressing climate change, including developing country participation"; and establishing in the House and Senate bipartisan observer groups to "monitor any international negotiations on climate change." The previous Senate bill (S. 925) had also included this sense of Congress; however, the current Senate bill, S. 2144, does not.

The findings sections of both bills review evidence that "....atmospheric concentrations of manmade greenhouse gases are contributing to global climate change," and note some of the

consequences, such as rising sea levels, warming of the oceans, and reduced snow and ice cover. The findings also note that the United States is a party to the UNFCCC, which has the objective of stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, and that the United States has elected against becoming a party to the Kyoto Protocol (which establishes legally binding greenhouse gas reductions for developed countries), but that the U.S. position is not to interfere with other nations' activities in support of the Protocol. The findings also state "United States businesses need to know how governments worldwide will address the risks of climate change."

In 2001, President Bush rejected the Kyoto Protocol to the UNFCCC, and with it the concept of legally binding international emissions reductions. The current U.S. policy stresses voluntary domestic actions, not mandatory regulatory requirements, and outlines a number of voluntary initiatives and government research priorities that are aimed at fulfilling U.S. responsibility for taking action. This Sense of Congress accepts the importance of the consequences of climate change, and asserts a U.S. role in taking responsibility and assuming leadership in reducing risks posed by these consequences. It goes somewhat beyond current Administration policy in urging a proposal to gain U.S. participation in a future binding treaty on climate change. It retains caveats on the need for developing country participation and protecting the economic interests of the United States that have been part of the congressional debate since S.Res. 98, including these concerns, was passed in 1997 by the U.S. Senate.

*CRS Products*

CRS Issue Brief IB89005, *Global Climate Change*

CRS Report RL31931, *Climate Change: Federal Laws and Policies Related to Greenhouse Gas Reductions.*

## Copyright Piracy Protection[7]

International copyright protection against unauthorized use depends upon the national laws of each country and effective enforcement of those laws. Although there is no single "international copyright" which automatically grants protection in every country, various treaties concerning copyright and intellectual property rights [IPR] establish minimum protection and enforcement standards and reciprocity among the parties to those treaties, which include, *inter alia*, the Agreement on Trade-Related Aspects of Intellectual Property Rights [TRIPS] of the World Trade Organization [WTO], the Berne Convention, and the World Intellectual Property Organization [WIPO] Copyright Treaty and WIPO Performances and Phonograms Treaty. The latter two, popularly known as the WIPO Internet Treaties, increased minimum standards of protection particularly for internet-based delivery of copyrighted works. Also, pursuant to the WIPO-WTO Agreement of 1995, which entered into force on January 1, 1996, each of these two organizations agreed to provide legal-technical assistance to the developing country members of the other and to enhance their technical cooperation activities; WIPO has assisted over 130 developing and least developed countries in TRIPS implementation.[8] Under the TRIPS, developing and least developed countries were given a transition period within which to implement the laws and regulations and enforcement infrastructure necessary to comply with TRIPS obligations. Under Article 65.2, developing countries had until January 1, 2000, and under Article 65.3, the least-developed countries have until January 1, 2005, for implementation. Article 67 of the TRIPS

[8] Council for Trade-Related Aspects of Intellectual Property Rights, *Technical Cooperation Activities: Information from Other Intergovernmental Organizations — WIPO*, IP/C/W/376/Add.5 (Jan. 6, 2003).

requires developed countries to provide, upon request, technical cooperation to assist developing and least developed countries in implementation, including in the training of personnel.

The United States has been providing such assistance, as reported to the WTO, through its IPR Training Coordination Group, which is comprised of federal agencies responsible for IPR law and enforcement and of private sector industry associations with an interest in IPR protection.[9] This Group provides programs, training, and technical assistance to foreign officials and policy makers. In its 2003 Special 301 Report, the Office of the U.S. Trade Representative (USTR) describes these and other ongoing efforts in combating the perennial and increasing problem of IPR piracy generally, through the negotiation of bilateral and regional free trade agreements and implementation of the WIPO Internet Treaties. Currently, the USTR notes a special focus on reducing counterfeiting and piracy of "optical media" products such as CDs, VCDs, DVDs, and CD-ROMs. It is also addressing counterfeiting of U.S. trademarked goods, internet-disseminated piracy, and government use of unauthorized software. Additionally, there has been increased attention to the problem of profits from piracy as a source of funding for terrorist organizations and other organized criminal organizations.[10] Some developing and least developed countries have made progress in both implementation of laws and enforcement of such laws against IPR infringement; others have recently enacted laws but as yet have no track record on enforcement; still others have not yet implemented laws and regulations.

Section 814 of S. 2144, the Foreign Affairs Authorization Act for FY2005, authorizes $5 million from funds appropriated for other educational and cultural exchange programs to be available for the State Department to provide direct assistance for combating copyright piracy to non-members of the Organization for Economic Cooperation and Development, whose members are developed countries that adhere to the principles of an open market economy, democratic pluralism and respect for human rights. The authorized assistance specifically includes equipment and training for foreign law enforcement, training for judges and prosecutors, and assistance in compliance with international IPR treaty obligations, including the TRIPS. The assistance program would be carried out through the Bureau of Economic Affairs of the State Department. The provision further requires the Secretary of State, to the maximum extent practicable, to consult with and assist the WIPO in promoting the integration of such developing, non-OECD countries into the global intellectual property system. Section 814 of S. 2144 is consistent with current U.S. international IPR obligations and policy in combating copyright piracy through training and other technical assistance to developing and least developed countries in the process of implementing and enforcing international IPR standards. Although some commentators have questioned the benefit to developing countries of strong IPR protections because of the increased costs of importing and using protected works, others have noted a correlation between stronger IPR protections and increased foreign direct investment, imports, and internationalization that can benefit developing countries.

---

[9] Council for Trade-Related Aspects of Intellectual Property Rights, *Technical Cooperation Activities: Information from Developed Country Members — United States*, IP/C/W/377/Add.6 (Feb. 4, 2003), and *Technical Cooperation Activities: Information from Members — United States*, IP/C/W/408/Add.3 (Nov. 11, 2003). *See, e.g.*, International Copyright Institute funded under P.L. 108-7, § 1209, 117 Stat. 11 (2003), and programs established under P.L. 103-392, § 501, 108 Stat. 4098 (1994).

[10] *Intellectual Property Crimes: Are Proceeds from Counterfeited Goods Funding Terrorism?, Hearing before the House International Relations Committee*, Serial No. 108-48, 108th Cong. (2003).

Section 1810 of H.R. 1950, the Foreign Relations Authorization Act for FY2004 and FY2005, contained similar language, but it would have authorized $10 million (over two fiscal years) *in addition* to funds otherwise authorized for such purposes. According to House report language accompanying H.R. 1950, the chief U.S. diplomatic representative to a country identified under the USTR Priority Watch List as particularly deficient in IPR enforcement would be responsible for preparing a plan and recommendations for actions the United States should take to address such deficiencies. Priority Watch List countries would have priority in receiving assistance under this provision, but other countries could also receive such assistance. Earlier Senate bills (S. 925 or S. 1161) did not contain similar language.

## Cuba: Support for Democracy Building[11]

As passed by the House, H.R. 1950, in Section 1807, would authorize $15 million for each of FY2004 and FY2005 to the President to support democracy-building efforts for Cuba as allowed pursuant to the Cuban Liberty and Democratic Solidarity Act of 1996 (P.L. 104-114, Section 109(a)). Section 1807 also states "that it is U.S. policy to support individuals and groups who struggle for freedom and democracy in Cuba, including human rights dissidents, independent journalists, independent labor leaders, and other opposition groups." The House Report to the bill (H.Rept. 108-105) states that the funds are designated only for Cuba-related programs and should not be diverted. (In the Senate, S. 1089, introduced May 20, 2003, also would authorize $15 million to support democracy building in Cuba, as well as $30 million to establish a fund to provide assistance to a future transition government in Cuba.) S. 2144 does not contain similar language regarding democracy-building in Cuba.

Over the past several years, the U.S. Agency for International Development (USAID) has provided assistance to increase the flow of information on democracy, human rights, and free enterprise to Communist Cuba. The assistance has been part of the U.S. strategy of supporting the Cuban people while at the same time isolating the government of Fidel Castro through economic sanctions. USAID's Cuba program supports a variety of U.S.-based non-governmental organizations to promote rapid, peaceful transition to democracy, help develop civil society, and build solidarity with Cuba's human rights activists.[12] These efforts are funded through the annual foreign operations appropriations bill. In FY2001, $4.989 million was provided for various Cuba projects; $5 million was provided in FY2002; $6 million was provided in FY2003; and almost $7 million will be provided in FY2004. For FY2005, the Administration has requested $9 million to back public diplomacy to promote democratization, respect for human rights, and the development of a free market economy in Cuba.

In addition to funding through foreign operations appropriations, the United States provides democratization assistance for Cuba through the National Endowment for Democracy (NED), which is funded through the annual Commerce, Justice, and State (CJS) appropriations measure. Cuba funding through NED has steadily increased over the past several years. NED-funded democracy projects for Cuba amounted to $765,000 in FY2001; $841,000 in FY2002; and $1.143 million in FY2003. Funding levels for NED's Cuba projects in FY2004 are not yet available.

An argument in support of the House provision to increase funding for democracy building in Cuba is that it helps respond to the Cuban government's harsh crackdown on human rights and democracy activists in 2003. The increased funding could be viewed as bolstering the long-standing U.S. policy of providing support for the Cuban people. In contrast, an argument countering the House provision is that the Administration already has been funding significant

[12] See USAID's Cuba program website: [http://www.usaid.gov/regions/lac/cu/].

democracy building efforts in Cuba for several years. The House provision would more than double the estimated $7 million being provided for such efforts in FY2004 foreign aid appropriations, and would be in addition to some $25 million spent for another program designed to support the Cuban people, broadcasting to Cuba via Radio and TV Marti.

*CRS Products*

CRS Report RL31740, *Cuba: Issues for the 108th Congress*.

## International Broadcasting[13]

The Senate bill (S. 2144) would authorize FY2005 funding of international broadcasting activities at $584.3 million (a 2.6% increase over the FY2005 request and 4.9% increase over current-year funding). The House bill would set funding for FY2005 at $650.9 million (a 14.3% increase over the FY2005 request and 16.8% more than the FY2004 enacted appropriation). Both House and Senate bills provide for a Mideast Broadcasting Network.

In 2002, the Broadcasting Board of Governors (BBG) began a pilot project to create the Middle East Radio Network (MERN) within the Voice of America (VOA). The Foreign Relations Authorization Act, FY2003 (H.R. 1646/ P.L. 107-228) authorized $20 million for the Middle East Radio Network of VOA. In the Administration's FY2004 budget request, the BBG proposed the creation of a new U.S. Middle East Television Network. Within the Emergency Wartime Supplemental of FY2003 (P.L. 108-11), signed April 16, 2003, Congress provided $30.5 million for "activities related to Middle East Television Network broadcasting in the Middle East and radio broadcasting to Iraq."

S. 2144, Section 808 and H.R. 1950, Section 501 both similarly amend the United States International Broadcasting Act of 1994 by authorizing grants for a "Mideast Radio and Television Network" (House) or "Middle East Broadcasting Network" (Senate). Both bills establish a Board of Directors for the network, include language directing the Board to avoid duplication of language services with other broadcasting activities to the extent possible, and explicitly state that the network is not connected to the U.S. federal government in any way. Little controversy on this measure is expected in the United States; however, some Middle East experts suggest that increased broadcast activity in that region could draw the ire of fundamentalists in the Muslim/Arab world.

Additionally, H.R. 1950, Div. C, Title V, Section 531 — United States International Broadcasting Activities — would amend Section 304 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6203) to reorganize international broadcasting by creating the United States International Broadcasting Agency which would be headed by the Broadcasting Board of Governors (BBG). It would establish a full-time director who is appointed by the Board, rather than being run by the Board itself, as in the current broadcasting operation. This measure would aim primarily to improve lines of authority and establish greater accountability. Other than establishing an agency rather than a board to run international broadcasting, most other aspects of the international broadcasting entity remain virtually the same. The Senate bill has no similar provision.

Title V, subtitle B — Global Internet Freedom — would establish an office within the BBG with the sole mission of countering internet blocking worldwide; to encourage development of technology to prevent such blocking; and to pressure repressive governments engaged in blocking internet access to its people. Currently, the IBB has been handling internet access blocks on an ad hoc basis with current appropriation levels. BBG officials say that this action would bring more visibility to a problem and an activity that they were already handling, but it would not

substantively change the internet counter-blocking activities that they would continue to conduct. S. 925 has no similar provision.

Other international broadcasting measures in H.R. 1950 include a sense of Congress expressing the need for expanded broadcasting to North Korea by Radio Free Asia; improved broadcasting measures to Cuba and counter jamming of radio and TV Marti; establishing in the Department of State a coordinator for International Free Media; a pilot program to promote travel and tourism in the United States via international broadcasting; and a measure to prevent the elimination of international broadcasting in Eastern Europe.

*CRS Products*

CRS Report RL31370, *State Department and Related Agencies: FY2003 Appropriations and FY2004 Request*

CRS Report RS21565, *Middle East Television Network: An Overview*

## International Organizations

H.R. 1950 would authorize funding of the International Organizations accounts within the State Department budget at $1,040.8 million for U.S. Contributions to International Organizations (CIO) for FY2005 and S. 2144 would authorize CIO at $1,109.2 million for the same year. (The enacted funding level for FY2004 is $1,010.5 million before rescissions.) For U.S. Contributions to International Peacekeeping, H.R. 1950 would authorize such sums as may be necessary, while S. 2144 would authorize $650 million for FY2005. (The FY2004 enacted level before rescissions is $465.3 million.) Other issues addressed in the legislation include:

Brahimi Report Implementation **.**[14] In August 2000, a panel of experts on United Nations Peace Operations, created by U.N. Secretary-General Kofi Annan in March 2000, issued a report assessing the shortcomings of the United Nations in the peacekeeping area and offering nearly 60 recommendations for reform and change. The report is often referred to as the Brahimi Report, named after the chairman of the Panel, Lakhdar Brahimi, former Foreign Minister of Algeria and currently, the Special Representative of the Secretary-General for Afghanistan. Since August 2000, the U.N. General Assembly, its Special Committee on Peacekeeping Operations, and the U.N. Security Council have reviewed and implemented many of the Panel's recommendations. Secretary-General Annan has issued reports outlining areas of implementation.

Section 402 of S. 925 directed that the Secretary of State submit to "appropriate committees of Congress" a report "assessing the progress made to implement the recommendations" of the Brahimi Panel. Specifically, the Secretary's report, due 90 days after enactment, "shall include — (1) an assessment of the United Nations progress toward implementing the recommendations...; (2) a description of the progress made toward strengthening the capability of the United Nations to deploy a civilian police force and rule of law teams on an emergency basis at the request of the United Nations Security Council; and (3) a description of the policies, programs, and strategies of the United States Government that support the implementation of the recommendations..., especially in the areas of civilian police and rule of law." The Senate Foreign Relations Committee, in its report, noted that it was interested in "learning how the U.S. government is contributing to the development of a more robust U.N. peacekeeping capacity, especially its ability to organize civil police units for use on an emergency basis." Section 402 of S. 2144, the

[14] Prepared by Marjorie Ann Browne, Specialist in International Relations, Foreign Affairs, Defense, and Trade Division.

bill replacing S. 925, contains an identical requirement, but with an increase of the reporting date to 120 days after enactment. H.R. 1950 does not include a similar provision.

Peacekeeping Contributions Cap[15] **.** Effective October 1, 1995, Congress limited to 25% the U.S. assessed payments to U.N. peacekeeping accounts, irrespective of the higher percent level assessed by the United Nations (Section 404 (b)(2), P. L. 103-236). Congress took this action as a result of continuing increases in the overall costs of U.N. peacekeeping operations and of the failure of U.N. member governments to accept increases in their own assessment levels, a step that would enable U.S. assessments to be lowered. This difference between U.S. peacekeeping contributions and U.N. peacekeeping assessments, created by the gap between U.N. and U.S.-recognized assessment levels, helped to produce a growing arrearage in U.S. contributions to U.N. peacekeeping accounts. In 2001, in response to a December 2000 agreement by the U.N. General Assembly that the U.S. regular budget assessment would be reduced from 25% to 22%, the U.S. peacekeeping assessment level started to fall. [The U.N. peacekeeping assessment is based on a modification of the regular budget assessment level.] (See CRS Issue Brief IB90103, Table 1. U.N. Peacekeeping Assessment Levels for the United States and accompanying text for further details and background.)

In 2002, Congress stipulated that the 25% cap for peacekeeping payments would be raised for four calendar years to a range of 28.15% for CY2001 to 27.4 % for CY2004. This would enable current U.S. peacekeeping assessments to be paid in full (section 402, P. L. 107-228).

Section 401 of the Senate Foreign Relations Committee recommended S. 925 set the assessment limit for U.S. peacekeeping contributions beyond calendar year 2004 at 27.4%. This is the same as the level in P. L. 107-228 for CY2004. Section 401 of the House International Relations Committee recommends H.R. 1950 set the peacekeeping assessment limit at 27.1% for calendar years 2005 and 2006. In summary, S. 925 would establish 27.4% as the assessment level cap for the future, unless an initiative were taken to change it. H.R. 1950 would set the cap at 27.1 %, but for only two years. Acceptance of the H.R. 1950 recommendation would require a return to this issue either to continue the 27.1% cap or to change it for calendar years beyond 2006. As reported, Section 401 of S. 2144 set the assessment limit for U.S. peacekeeping contributions beyond calendar year 2004 at 27.4%, the same as Section 401 of S. 925.

*CRS Products*

CRS Issue Brief IB90103, *United Nations Peacekeeping: Issues for Congress*, by Marjorie Ann Browne.

## Status of Israel in U.N. Regional Group[16]

In May 2000, Israel was admitted, on a temporary basis, to membership into the Western European and Others Group (WEOG) that meets at United Nations headquarters in New York. This decision meant that, for the first time, Israel could be recommended or nominated for participation as a member or an officer of U.N. bodies. A primary function of these regional groups is to elect and thus nominate a regional candidate for membership in U.N. organs and bodies, including the U.N. Economic and Social Council and the U.N. Security Council. Regional groups were devised for the purpose of ensuring what is called “equitable geographic

[15] Contributed by Marjorie Ann Browne, Specialist in International Relations, Foreign Affairs, Defense, and Trade Division.

[16] Prepared by Marjorie Ann Browne, Specialist in International Relations, Foreign Affairs, Defense, and Trade Division.

distribution," a principle referred to in the U.N. Charter (Article 23, paragraph 2, on election of the non-permanent members of the Security Council). If a member state is not a member of a regional group, that state has no chance of being elected, for example, to membership on the Economic and Social Council or the Security Council. Israel would naturally be eligible for membership in the Asian Group which includes other countries in the Middle East. A consensus has not existed within that Group to admit Israel. Some authorities have maintained that not being a member of a regional group violates the Charter principle of "equality among all member states" (Article 2, paragraph 1).

The WEOG was seen as an alternative location for Israel, pending resolution of disputes in the Middle East. WEOG's decision was that Israel's membership would have to be reviewed in full after four years. In addition, Israel could not be nominated from the WEOG for the first two years. On February 7, 2003, Israel was elected, as a candidate from WEOG, as one of the three Vice-Chair on the Open-Ended Working Group on Disarmament to consider the objectives and agenda for the fourth special session of the General Assembly devoted to disarmament (SSOD IV). This working group was established by the U.N. General Assembly (Resolution 57/61) in the fall of 2002. In late April 2003, the U.N. Economic and Social Council elected Israel to a four-year term on the U.N. Commission on Narcotic Drugs, with membership starting on January 1, 2004.

Congress has, over the past few years, expressed its concern that Israel, by not being a member of a regional group, did not have equal access for full participation as a member of the United Nations. The currently enacted legislation, in Section 721 of P. L. 106-113 (Appendix G. The Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001), is entitled *United Nations Policy on Israel and the Palestinians*. Under this section, Congress expressed its view that U.S. policy shall "promote an end to the persistent inequity experienced by Israel in the United Nations" by being "denied acceptance into any of the United Nations regional blocs." This section further requires the Secretary of State to report, by January 15, of each year, on (1) actions taken by U.S. representatives to "encourage the nations of the Western Europe and Others Group (WEOG) to accept Israel into their regional bloc;" and (2) "other measures being undertaken, and which will be undertaken, to ensure and promote Israel's full and equal participation in the United Nations." The report submitted to Congress in January 2003 noted that "since the Asia Group where Israel most appropriately belongs also excludes it from participation in its activities at UN agencies outside of New York, our efforts are now focused on gaining Israel's admittance into WEOG or similar groups at those agencies." The report went on, "We will continue efforts in 2003 and future years to gain Israel's entry into all WEOG or similar groups where it has interest in participating."

Under Section 405 of H.R. 1950, U.S. officials "should pursue an aggressive diplomatic effort and take all necessary steps to ensure the extension and upgrade of Israel's membership in the Western European and Others Group at the United Nations." The Secretary of State is required to report, semiannually through September 30, 2005, on the steps taken by the United States on this issue. As explained in its report, the Committee urged extension of WEOG membership "in UN bodies and UN affiliated agencies in New York and throughout the world." While S. 925 does not contain a comparable provision, it is likely that Congress will enact language identical or similar to this. It might be useful to review and compare this language with that of Section 721. S. 925 did not have a similar provision, and neither does S. 2144.

## Israel-Palestine Issues[17]

Section 105 of S. 2144 and Section 115 of H.R. 1950 authorize $50 million for settling Jewish migrants in Israel. Funds for Jewish migrants originally were intended for Jews escaping from the

former Soviet Union and Ethiopia. Section 806 of S. 2144 and Section 223 of H.R. 1950 call for a report on U.S. efforts to promote wider Israeli diplomatic relations. The bill seeks to expand Israel's diplomatic relations by directing the Secretary of State to encourage other nations to develop and maintain relations with Israel. Section 809 of S. 2144 and Section 703 of H.R. 1950 call upon the Administration to press for membership in the International Red Cross for the Israeli Magan David Adom society. The International Red Cross refused Israel's membership because the Israelis wanted to use the Star of David as their symbol, which the Red Cross believed would open the door to other nations seeking their own individual emblems. Israel rejected a Red Cross offer to adopt an internationally neutral red diamond.

Section 2225 of S. 2144 establishes a private, non-profit Middle East Foundation, funded through the Middle East Partnership Initiative, to make grants to persons involved in projects in civil society, human rights, political participation, education reform, rule of law, and other areas. H.R. 1950 does not have comparable provisions.

H.R. 1950 has some provisions not found in the Senate bill. Section 222 adds to the annual State Department terrorism report a listing of facts about attacks against U.S. citizens in Israel, Israeli administered territory, and Palestinian territory. The listing should include date of attack, number of U.S. citizens killed or wounded, total killed or wounded, groups responsible for the attack, where the groups found refuge or support, suspects arrested, detained, indicted, or convicted for the attacks, and other data. The Secretary of State is to consult with other agencies in making the report. Section 739 lists U.S. citizens killed by Palestinian terrorists since 1993, and seeks a listing of all U.S. citizens killed in terror attacks. Section 731 states a sense of the Congress that the United States has played the major role in funding the United Nations Relief and Works Agency (UNRWA) for assisting the Palestinian refugees. Section 731 urges UNRWA to resettle the refugees, eliminate anti-Jewish textbooks from the schools, stop terrorists from diverting funds, and stop anti-Israeli incitement. Section 1321 extends the authorization date for FMF assistance to Israel, and Section 1322 extends the authorization for aid to Egypt. Section 1804 ensures the U.S. Comptroller General access to financial records of U.S. aid to the West Bank and Gaza Strip, and calls upon the Secretary of State to ensure that the funds are not used for terrorism.

*CRS Products*

CRS Issue Brief IB85066, *Israel: U.S. Foreign Assistance*

CRS Issue Brief IB92052, *Palestinians and Middle East Peace: Issues for the United States.*

## Jerusalem[18]

A majority of the Members of Congress believe that the United States should recognize Jerusalem as the capital of Israel as evidenced by congressional passage of numerous resolutions and bills, including P.L. 104-45 of November 8, 1995 calling for the U.S. embassy to be moved from Tel Aviv to Jerusalem. U.S. Administrations have disagreed, arguing that Jerusalem's final status should be negotiated rather than decided unilaterally by Israel. Palestinian-Israeli agreements call for negotiations on the future of the city, and most nations agree that Jerusalem's status should be negotiated. Section 805 of S. 2144 states that no funds authorized in the bill may be used for a U.S. Consulate in east Jerusalem unless the consulate is under the authority of the U.S. Ambassador to Israel, and that no funds may be used to publish materials listing national capitals unless Jerusalem is named as the capital of Israel. Section 221 of Title I, H.R. 1950, has similar provisions, but adds that people born in Jerusalem may list Israel as their birthplace when applying for U.S. passports.

*CRS Products*

CRS Report RS20339, *Jerusalem, the U.S. Embassy and P.L. 104-45*

CRS Issue Brief IB91137, *Middle East Peace Talks.*

## Mexico Issues[19]

The House passed H.R. 1950 on July 16, 2003, with four provisions relating to Mexico. This included a modified version of a sense of the Congress provision regarding a possible bilateral migration accord with Mexico reported out by the House International Relations Committee on May 16, 2003 (H.Rept. 108-105, Part 1), two amendments stating the sense of Congress on joint pollution control on the border and Mexican extradition policy, and restrictions on Mexico's issuance of consular ID cards. There were no similar provisions in the Senate bill (S. 925) that the Senate considered but did not pass in July 2003, and there are no similar provisions in the Senate bill (S. 2144) reported out by the Senate Foreign Relations Committee in March 2004.

Migration Accord **.** The idea of a migration accord has been advanced by President Vicente Fox and by President Bush at presidential meetings in the last two years. Mexican officials have been pressing for the legalization of undocumented Mexican workers in the United States through amnesty or guest worker arrangements to protect their human rights and to reduce the number of migrants who die each year while seeking entry into the United States. In mid-February 2001, the two presidents agreed to hold cabinet-level negotiations to address migration and labor issues between the countries. Subsequent press reports suggested that various proposals were being considered by the Administration and by Congress, with leaders of both U.S. political parties reportedly seeking to gain favor with Hispanic voters and to deal with the existence of numerous undocumented workers in hard-to-fill jobs. In early September 2001, the two presidents pledged to reach agreement as soon as possible on a range of issues, including border safety, a temporary worker program, and the status of undocumented Mexicans in the United States. However, following the September 2001 terrorist attacks in the United States, congressional action focused on strengthening border security and alien admission and tracking procedures. In March 2002, the two presidents noted that important progress had been made to enhance migrant safety, and they agreed to continue the cabinet-level talks to achieve safe, legal, and orderly migration flows between the countries. During the annual Binational Commission meetings of cabinet secretaries in November 2002, Secretary of State Powell and Foreign Secretary Castañeda reaffirmed the intention to continue talks toward a migration agreement, but in January 2003, Castañeda resigned, reportedly in part out of frustration with the lack of progress in negotiating a migration accord with the United States.

When the House International Relations Committee marked up H.R. 1950 on May 8, 2003, Representative Menendez offered an amendment, which, in modified form, became Section 731. The initial amendment recounted the recent commitments on migration matters by the two governments as findings, and stated the sense of Congress that the United States should reach an agreement with Mexico on a migration accord that would ensure that migration to the United States is "safe, orderly, legal, and dignified." Arguing that the Menendez provision was too broad, Representative Ballenger offered a substitute amendment, subsequently approved 24-22, that stated the sense of Congress that a Mexico-U.S. migration agreement should address the key issues of concern for both nations, and should include an accord to open Mexico's state-run petroleum monopoly (PEMEX) to reform and to investment by U.S. oil companies. It also added a finding that PEMEX "is inefficient, plagued by corruption and in need of substantial reform and private investment in order to provide sufficient petroleum products to Mexico and the United States to fuel future economic growth which can help curb illegal migration into the United

States." Representative Gallegly, expressing concern about fugitives from U.S. justice that Mexico will not extradite, offered an amendment to the Ballenger substitute measure, which was approved by unanimous consent, that the issues of extradition and law enforcement cooperation should be addressed in any migration agreement between the countries. In sum, Section 731, as reported, states the sense of Congress that the United States should as soon as practicable commence negotiations to reach a migration accord with Mexico which addresses the key issues of concern in both countries, which opens PEMEX to reform and investment by U.S. oil companies, and which addresses extradition and law enforcement issues.

Mexican officials and commentators criticized the Committee-reported provisions related to PEMEX and extradition as an intrusion in the domestic affairs of Mexico. The Office of the Mexican Presidency issued a statement on May 11, 2003, acknowledging that the negotiation of a migration agreement was a priority for the Fox Administration, but pointing out that "negotiating such an agreement in exchange for opening up Petróleos Mexicanos (the state oil industry - PEMEX) to foreign investment would be wholly unacceptable." The statement further asserted that "major changes have been undertaken at PEMEX to modernize its infrastructure and make its management transparent, and thus guarantee that oil shall remain in Mexican ownership."

During floor consideration on July 15, 2003, the House approved, as part of an en bloc amendment, an amendment proposed by Representative David Dreier, as modified by HIRC Chairman Henry Hyde, that became Section 730, that removed the previously mentioned references to PEMEX, and stated the sense of Congress that the United States and Mexico should conclude negotiations in an attempt to reach a migration accord that is as comprehensive as possible and which addresses the key issues of concern for both nations; and that as part of any agreement, the issues of extradition and law enforcement cooperation be addressed.

## Pollution Control

During floor consideration on July 15, 2003, the House approved, as part of an en bloc amendment, an amendment proposed by Representatives Hunter, Cunningham, Davis, and Filner, that became Section 740, that expresses the sense of Congress that the U.S. Section of the International Boundary and Water Commission should give priority attention to treaty negotiations with Mexico on the building of a public-private wastewater treatment facility in Mexico that can treat sewage flowing from Tijuana to San Diego, as outlined in P.L. 105-457. The amendment recounted in the findings the damage to San Diego beaches, and the three year delay in negotiations, and it required that monthly progress reports be submitted to appropriate congressional committees.

## Extradition Issues

During floor consideration on July 15, 2003, the House approved Amendment 27 proposed by Representative McKeon that expresses in Section 744 the sense of the Congress that the U.S. government should encourage the Mexican government to work closely with the Mexican Supreme Court to persuade the Court to reconsider its October 2001 ruling so that the possibility of life imprisonment in the United States will not have an adverse effect on the timely extradition of criminal suspects from Mexico to the United States.

## Consular ID Cards

In floor action on July 15, 2003, the House voted 226-198 to accept Amendment 17 by Representative John Hostettler that would establish in Section 232 a series of restrictions on the issuance of consular identification cards by foreign missions. In recent years, the Mexican

consulates have been issuing matrícula consular cards for identity purposes, and they have been increasingly accepted in the United States in situations where proof of identity is required, such as for establishing banking accounts and obtaining credit cards, and transferring funds from the United States to Mexico. Critics argue that the cards are used primarily by illegal aliens seeking to obtain benefits not achieved through regular immigration law and procedures, and that they might facilitate money-laundering and terrorist activity. The amendment would require that foreign missions issue consular identification cards only to bona fide citizens of the country as verified by birth certificates, voter IDs, and passports; that card recipients be required to notify the mission of any change of address; that automated records be kept by the missions to prevent duplicate or fraudulent issuance; that records be subject to audit by the United States; and that the United States be notified of each issuance, including the name and address. In the event that a foreign mission has issued consular ID cards in violation of these provisions, it could be required to suspend the issuance of cards; and in the event of non-compliance, the State Department would suspend the issuance of immigrant or nonimmigrant visas, or both, to nationals of that country until it was in compliance with the requirements. Supporters of the amendment argued that the issuance of the cards was out of control and needed to be controlled. Opponents argued that it was an attack on the Mexican identity card and persons of Hispanic heritage, and that the requirements were onerous and excessive.

### Rural Development Assistance

When the Senate considered S. 925 on July 10, 2003, it adopted an amendment offered by Senator Reid to provide $100 million in assistance to Mexico to deal with the existing rural development crisis in the country. The Senate did not complete action on S. 925 in 2003, and there is no similar provision in the Senate bill (S. 2144) reported out by the Senate Foreign Relations Committee in March 2004.

*CRS Products*

CRS Report RL31876, *Mexico-U.S. Relations: Issues for the 108th Congress*, by K. Larry Storrs.

## Peace Corps[20]

The Peace Corps Charter for the 21st Century Act, appearing as title IX in the Senate bill (S. 2144), is partly a response to a January 2002 initiative of the Bush Administration to double the size of the Peace Corps over a period of five years. In the House, the Peace Corps Expansion Act of 2003, originally H.R. 2441 (H.Rept. 108-205), was added during floor debate to H.R. 1950.

S. 2144 and H.R. 1950 share many features. Chiefly, both bills support an expanded volunteer force by authorizing appropriations to the year FY2007. Both bills require that volunteers be trained in the education, prevention, and treatment of infectious diseases so that they can convey this knowledge during their service. They establish a number of reporting requirements, including reports to Congress on how the Agency plans to increase the number of volunteers, new agency initiatives, country security concerns, student loans, and recruitment of volunteers for priority countries. The two bills reaffirm the Peace Corps' status as an independent agency. Both pieces of legislation focus attention on returned volunteers (RPCVs). They require that some members of a revived Advisory Council be RPCVs. Both bills urge that RPCVs be utilized to open or reopen programs in Muslim countries.

The two bills differ in several ways. Their authorization levels are slightly different. S. 2144 authorizes $351 million for FY2005, $443 for FY2006, and $485 million for FY2007, while H.R. 1950 authorizes $411.80 million, $455.93 million, and $299.40 million for these years. H.R. 1950

requires more reports — on federal equal opportunity programs and on medical screening procedures and health considerations for putting volunteers in a country. It requires that recruiting be the responsibility of the Peace Corps; the Senate bill requires that it be "primarily" its responsibility. H.R. 1950 raises the minimum readjustment allowance provided volunteers at completion of service from $125 for each month served to $275 in FY2004 and $300 thereafter, while S. 2144 raises it to $275 only (volunteers currently receive $225). Under H.R. 1950, the Advisory Council has 11 members, 6 of whom are RPCVs; S. 2144 would have 7 members, including 4 RPCVs. The latter measure requires regular meetings and an annual report from the Council on its functions. Both bills authorize establishment of an annual grant program to help RPCVs implement small projects — in S. 2144 eligible projects must meet the so-called "third goal" of the Peace Corps (promoting an understanding of other peoples by Americans); in H.R. 1950 they could meet all Peace Corps goals. For this purpose, S. 2144 authorizes the Corporation for National and Community Service to utilize $10 million in funds additional to the regular Corporation budget; H.R. 1950 authorizes the Peace Corps Director to allocate the grants which are additional to the Peace Corps budget (or the role can be delegated to the Corporation). H.R. 1950 requires that the number of Crisis Corps volunteers be expanded to at least 120 in FY2004, 140 in FY2005, 160 in FY2006, and 165 in FY2007. It also contains a declaration of support for the Bush goal of doubling the Peace Corps by FY2007.

Although the Peace Corps is viewed positively by the public and is widely supported in Congress, the Peace Corps provisions raise a number of potential issues for policymakers. The doubling of the size of the Peace Corps means a substantial increase in the size of the agency's budget to nearly $500 million by FY2007, presumably to be maintained for years thereafter. Budget constraints may prevent this rapid growth — the FY2003 Administration request of $317 million was trimmed in the final appropriations bill to $295 million. Further, Senate appropriators in their 2003 report (S.Rept. 107-219) called the expansion plan "overly ambitious," potentially causing strains in administrative and programming capacities and suggesting that expansion may have to be drawn out over more than five years. The FY2004 request of $359 million was effectively cut to $325 million ($310 million in the regular Peace Corps account, plus $15 million to be transferred to Peace Corps from the Global HIV/AIDS account).

*CRS Products*

For further discussion, see CRS Report RS21168, *The Peace Corps: Expansion Initiative and Related Issues.*

## Public Diplomacy[21]

Public diplomacy consists of U.S. government activities designed to present the American culture and promote understanding by foreign publics of U.S. government policies. Public diplomacy includes government exchange programs, international information programs, and U.S. government international broadcasting. (For details on international broadcasting measures, see that section above.) Both House and Senate bills include funding authorization and new program authority relating public diplomacy to the post 9/11 world.

Title VI, S. 2144 — Strengthening United States Outreach — would require the President to develop an international information strategy, focusing on regions with significant Muslim populations, and report to the relevant congressional committees. In addition, Section 602 would require the Secretary of State to include public diplomacy training at all levels of the Foreign Service. Section 612 of this title would expand existing educational and cultural exchanges and would include exchanges to promote religious freedom, information technology, and sports diplomacy.

H.R. 1950 Title II of Div C, Subtitle A, United States Public Diplomacy — Section 202 emphasizes that public diplomacy must be an integral component of U.S. foreign policy. The Department, in coordination with international broadcasting entity is called on to coordinate efforts of all federal agencies in promoting public diplomacy activities. The section would establish a public diplomacy reserve corps which may include public diplomacy experts and related field experts from the private sector. Section 203 would require the Secretary of State to develop annually a public diplomacy strategy and specify goals, agency responsibilities and resources needed to achieve the stated goals. The Secretary would annually review the public diplomacy strategy and its impact on target audiences. Each annual report shall include an assessment of the U.S. public diplomacy strategy both worldwide and by region. Comparable to Section 602 in S. 2144, Section 204 establishes public diplomacy as a priority in recruiting and training Foreign Service officers. It would require the Secretary to seek to increase, through recruitment and incentives, the number of Foreign Services officers who are proficient in languages spoken in predominantly Muslim countries.

Other measures contained in H.R. 1950, Title II, Subtitle A include reporting requirements and enhancements of the Advisory Commission on Public Diplomacy; implementation of a pilot program to assist foreign governments in order to establish or improve a public library system in their countries in order to improve literacy and public education; and a sense of Congress that the Secretary should include the predominantly Muslim populated countries in sub-Saharan Africa in the Department's public diplomacy activities.

Similar to Section 612 of the Senate bill, H.R. 1950, Title II of Div C, Subtitle C — *Educational and Cultural Activities* — contains Section 251 which would establish an array of exchange initiatives for predominantly Muslim countries. Included would be an expansion of the Fulbright Exchange and the Hubert H. Humphrey Fellowship programs in Muslim countries, a journalism training program, grants for U.S. citizens to teach English language overseas, and library training exchange.

## State Department Authorities and Personnel Issues[22]

In addition to providing the required authority for the Department of State and related agencies to spend specified levels of appropriations (see Table 1 in the Appendix for appropriation and authorization levels), Division C of H.R. 1950 and Title II and III of S. 2144 contain measures ranging from authorizing a U.S. diplomacy center to raising post differential pay and danger pay allowances for Foreign Service Officers to a security cost sharing among all agencies represented in overseas posts. On these issues, both bills have similar provisions, none of which appear controversial at this time.

*CRS Reports:*

For more detail on State Department and related agencies, see CRS Report RL31370, *State Department and Related Agencies: FY2003 Appropriations and FY2004 Request.*

# Defense Trade and Security Assistance

## Export Controls for Satellites[23]

Between 1992 and 1996, responsibility for decisions regarding export of commercial communications satellites was transferred from the State Department to the Commerce Department. In 1997, issues arose in connection with the launch of U.S.-built satellites by China

as to whether U.S. satellite manufacturers were abiding by the terms of the export licenses granted by the Commerce Department, and whether such exports should be under the more restrictive controls of the State Department. The concern was that China might be gaining militarily useful information in connection with its launches of U.S.-built satellites. Subsequently, Congress directed that export control responsibility for these satellites be returned to the State Department effective March 15, 1999 (FY1999 DOD authorization bill, P.L. 105-261).

Which agency should control these exports remains controversial because of concern that uncertainty associated with State Department control over the licenses (particularly in terms of the time required for the licenses to be approved or denied) places U.S. companies at a competitive disadvantage with European satellite manufacturing companies. The Satellite Industry Association (SIA) released figures in May 2001 showing U.S. satellite manufacturers losing market share to foreign companies in 2000. SIA and others attributed that loss in part to the shift in jurisdiction to State. Congress directed the Secretary of State to establish an export regime that includes expedited approval for exports to NATO allies and major non-NATO allies in the FY2000 State Department authorization act (part of the FY2000 Consolidated Appropriations Act, P.L. 106-113). The new rules took effect on July 1, 2000. (Since 2001, U.S. companies have won the majority of contracts for new commercial communications satellites, though it is not possible to draw a direct link between that and the regulatory change.)

Efforts to shift jurisdiction over these satellite exports back to the Commerce Department continue. In the 108th Congress, Title XV of H.R. 1950 as reported from HIRC (H.Rept. 108-105, Part 1) would have left the decision on agency jurisdiction to the President if the export is to a NATO country or major non-NATO ally; exports to China would remain under State Department jurisdiction. However, the House Armed Services Committee struck Title XV when it marked up the bill (H.Rept. 108-105, Part 3), and it was not included in the version of the bill that passed the House on July 16, 2003.

Separately, the Security Assistance Act (P.L. 106-280) reduced from 30 days to 15 days the time Congress has to review decisions on exporting commercial communications satellites to Russia, Ukraine, and Kazakhstan, making the time period the same as for NATO allies. H.R. 1950 as passed by the House changes that time period back to 30 days.

S. 2144, the FY2005 Foreign Affairs Authorization Act, includes section 2239, which would exempt from export licensing requirements marketing information (as defined in the Act) related to sales of commercial communications satellites if the sale is to a NATO country, Australia, Japan, or New Zealand. The exemption does not apply to defense items and defense services. The same provision was included in S. 1161 (later incorporated into S. 925) last year.

*CRS Products*

CRS Issue Brief IB93062, *Space Launch Vehicles: Government Activities, Commercial Competition, and Satellite Exports*, by Marcia Smith.

## Israeli Palestinian Peace Enhancement Act of 2003[24]

Title XVI of Div. C, H.R. 1950 addresses the effort to achieve peace between the Israelis and Palestinians that began with President Bush's speech on June 24, 2002. It envisioned "two states, living side by side in peace and security." The President called on the Palestinians to elect new leaders "not compromised by terror" and to undertake "true reforms" to build a practicing democracy. He declared that the United States will not support the establishment of a Palestinian state until its leaders fight terrorists and dismantle their infrastructure. He promised that when

there are new leaders and new security arrangements with Israel, the United States will then support the creation of a Palestinian state, but certain aspects of its sovereignty will be "provisional" until a final settlement in the Middle East. The President also declared that "as we make progress toward security, Israeli forces need to withdraw to positions they held prior to September 28, 2000, and Israeli settlement in the occupied territories must stop." The President added that in real peace, the "Israeli occupation that began in 1967 will be ended through a settlement negotiated by the parties, based on U.N. Resolutions 242 and 338, with Israeli withdrawal to secure and recognized borders."

Building on the President's vision, the United States, European Union, United Nations, and Russia (the "Quartet") developed a three-phase "Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict." In Phase I, the focus will be on an end to terror and violence, the building of Palestinian political and security institutions, and the normalization of Palestinians life through humanitarian and economic responses, the dismantlement of Israeli settlement outposts erected since March 2001, and the freezing of all settlement activity. Phase II, will focus on the creation of an independent Palestinian state with provisional borders. Phase III, will see negotiations for a permanent agreement and an end of the Israeli-Palestinian conflict. The Roadmap was presented on April 30, 2003. The Roadmap calls for Israeli actions to "accompany" those of the Palestinians, although in Phase I the Palestinians are to unconditionally cease violence "immediately." The Palestinians, EU, and U.N. view the Roadmap as a parallel process, requiring simultaneous steps by both sides. The Israeli government and its supporters consider it to be a sequential process, beginning with an end to Palestinian violence, and maintain that the President's June 24, 2002 speech does so, as well.

Title XVII, Sec. 1602 declares that the security of Israel is a national security interest of the United States. It endorses the two-state solution as necessary to achieving the security of Israel, if the Palestinian state is peaceful, democratic, "and abandons the use of terror forever." Sec. 1603 states a willingness to provide substantial assistance to the Palestinians after they achieve peace with Israel. Sec. 1604 indicates that transformation of the Palestinian system of government along the lines outlined in President Bush's June 24, 2002 speech is a precondition for peace negotiations. Sec. 1605 calls on the President not to recognize a Palestinian state until it embodies his June 24, 2002 vision. Sec. 1606 allows the provision of assistance to a Palestinian state if the President certifies that an international peace agreement has been signed, in which both parties commit to an internationally recognized boundary with no remaining territorial claims and, in which, the issue of refugees is resolved. In other words, the bill bans aid to the Palestinian state with provisional borders that is to emerge from Phase II of the Roadmap. However, the President may waive this provision if he determines and certifies that it is in the U.S. national interest. The limitations on assistance do not apply to humanitarian assistance or aid to help reform the Palestinian Authority. Assistance to the Palestinian state for economic development, democratization, security cooperation with Israel, and to help compensate Palestinian refugees is specifically authorized.

The Senate bill has no parallel provisions.

*CRS Products*

For background, see CRS Issue Brief IB91137, *The Middle East Peace Talks*, and CRS Issue Brief IB92052, *Palestinians and Middle East Peace: Issues for the United States*.

## Missile Technology Control Regime Annex[25]

H.R. 1950 requires that the Secretary of State, in coordination with the Secretary of Commerce, the Attorney General, and the Secretary of Defense certify to Congress no later than March 1 of

each year that items on the Missile Technology Control Regime (MTCR) Annex have been under stringent control in accordance with the International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR) for the previous year. The legislation also requires that if the requirement has not been met, then reasons why this did not occur must also be included in the certification. This proposed annual certification also requires that the Secretary of State describe any updated coverage in both the ITAR and EAR as they relate to MTCR Annex items. In addition, any overlap or omissions in these regulations as they relate to MTCR Annex items will also be included in the certification to Congress. The Senate version, S. 2144, Foreign Relations Authorization Act, Fiscal Year 2004, does not contain similar provisions.

Section 1201 of H.R. 1950 appears to be an attempt to strengthen controls by assigning specific accountability for U.S. missile-related activities. Current law (Section 832 of the Foreign Relations Authorization Act, Fiscal Years 2002 and 2003) requires reporting on all international transfers of MTCR equipment or technology to any country seeking to acquire such equipment, including U.S. transfers of such equipment or technology. Furthermore, current law requires the following:

- An analysis of the effectiveness of the regulatory and enforcement regimes of the United States as they relate to the MTCR, and;
- An explanation of U.S. policy regarding the transfer of MTCR equipment and technology to foreign programs.

Section 1201, as proposed, also formally designates the Secretary of Commerce and the Attorney General to be part of the review and certification process, whereas current law stipulates roles only for the Secretary of State and the Secretary of Defense. The formal inclusion of the Secretary of Commerce and the Attorney General in this requirement will likely be viewed in favorable terms as both are involved in a variety of missile nonproliferation capacities. The reporting on overlaps and omissions in terms of the ITAR and EAR in the proposed annual certification might help Congress identify areas where both regulations can be improved by legislative action. The proposal of the annual certification proposed in Section1201 may generate opposition, particularly in the Executive Branch. The question that may arise is one of Congressional intent: Is this certification intended to establish legal accountability, or is it to compel the Secretaries of State, Defense, and Commerce, and the Attorney General to cooperate in improving U.S. government control of MTCR-related items? If it is to establish legal accountability, there could be a significant degree of opposition. If it is to improve cooperation, it may be argued that there is alternative legislative language that could achieve the same intent.

*CRS Products*

CRS Report RL31848, *Missile Technology Control Regime (MTCR) and International Code of Conduct Against Ballistic Missile Proliferation (ICOC): Background and Issues for Congress,* Andrew Feickert.

CRS Report RL31502, *Nuclear, Biological, Chemical, and Missile Proliferation Sanctions: Selected Current Law*, Dianne E. Rennack.

## Missile Threat Reduction Act of 2003[26]

H.R. 1950, Section 1412 calls for a U.S.-led effort to seek a binding international instrument(s) to restrict trade of offensive ballistic missiles. This proposal addresses offensive ballistic missiles with a range of at least 300 km and a payload capacity of 500 kg or more and would apply to both conventional and weapons of mass destruction-armed missiles. Because this proposal stipulates only offensive ballistic missiles, it is assumed that surface-to-air missiles and ballistic missile

defense interceptor missiles would not be subject to the binding instrument. Cruise missiles and unmanned aerial vehicles (UAVs), which are included in provisions of the Missile Technology Control Regime (MTCR), are not included in this proposal. This binding instrument may be in the form of a multilateral treaty, United Nations Security Council Resolution (UNSCR), or another instrument of international law. No matter what form this instrument takes, it is proposed that it should also include enforcement measures including "interdiction, seizure, and impoundment of illicit shipments of offensive ballistic missiles and related technology, equipment, and components". Such a binding instrument is not reflected in current law.

The Senate version of the Foreign Relations Authorization Act, S. 2144, does not address the establishment of a binding agreement restricting the trade of ballistic missiles.

It is unclear if the proposed instrument would replace the MTCR and the International Code of Conduct Against Ballistic Missile Proliferation (ICOC), or if it would complement these voluntary, non-binding arrangements. U.S. sponsorship of a Security Council resolution or multilateral treaty could prove to be controversial, given the current climate in the United Nations. Attempts to include an enforcement mechanism, especially provisions for "interdiction, seizure, and impoundment," may face considerable resistance on a legal, policy, and practical basis. This measure has led some experts to ask whether some sort of an international enforcement organization would be created or whether any country might "interdict" what they deem to be illicit ballistic missile or technology shipments.

Those in Congress who favor revitalizing nonproliferation efforts in lieu of the current Administration's emphasis on a counterproliferation strategy involving potential preemption might be generally supportive of legislation that attempts to strengthen nonproliferation controls. There also likely will be skepticism, both in Congress and the Administration, based on the argument that proliferating countries would decline to accede to the treaty or refuse to comply with its provisions if they become members. The U.S. aerospace industry, particularly companies involved in ballistic missile interceptors, cruise missiles, and UAVs, might be supportive of this treaty as it does not include restrictions on these systems in its provisions. Likewise, the Department of Defense might be supportive as such exempted systems are considered by many the "workhorses" of the modern U.S. military.

H.R. 1950, Section 1413 calls for U.S. sponsorship of a U.N. Security Council Resolution prohibiting United Nations members from "purchasing, receiving, assisting or allowing transfer of" missile or missile- related equipment and technology from North Korea and permits interdiction, seizure, or impoundment of North Korean missiles or related technology and equipment. (The Senate version, S. 925, does not contain similar provisions.) This resolution might receive support from countries that are concerned about continuing North Korean missile proliferation, particularly proliferation to countries such as Iran, Pakistan, and Libya. The proposal addresses the possibility that countries such as North Korea, Iran, Pakistan, and Libya might not accede to the proposed U.S.-sponsored ballistic missile treaty. Proponents believe that this resolution, if vigorously and uniformly enforced, could significantly impede North Korean missile and technology sales and could also have a detrimental impact on the medium and intermediate-range ballistic programs of Iran, Pakistan, and Libya — all reported to be heavily dependent on North Korean missile technology and assistance.

Critics are likely to maintain that a U.N. Security Council resolution presents the same issues as does the proposed U.S.-sponsored treaty in terms of enforcement mechanisms. From their perspective, the December 2002 U.S. release of Yemen-bound North Korean SCUDs seized at sea could serve as a legal precedent for countries opposing such a resolution. Additionally, they maintain that there is likely to be resistance to this resolution if it permits interdiction without Security Council approval. Some analysts suggest that, to be approved, the resolution would have

to contain provisions for the Security Council to review evidence on a case-by-case basis and establish "probable cause" before sanctioning interdiction or seizure.

*CRS Products*

CRS Report RL31848, *Missile Technology Control Regime (MTCR) and International Code of Conduct Against Ballistic Missile Proliferation (ICOC): Background and Issues for Congress,* Andrew Feickert.

CRS Report RL31502, *Nuclear, Biological, Chemical, and Missile Proliferation Sanctions: Selected Current Law*, Dianne E. Rennack.

## Munitions Export Controls[27]

H.R. 1950, as passed by the House, contains, in Title XIII, provisions related to export controls of items on the U.S. Munitions List, as well as new reporting requirements. Specifically, the committee bill contains technical amendments to the Arms Export Control Act (AECA) in Sections 1202-1204. Section 1202 amends section 36(c) of the AECA to require advance certification to Congress of any comprehensive export authorization in the amount of $100 million or more, regardless of whether a signed contract exists. This section also repeals clause (B) of paragraph 2 of section 36(c), thus establishing a 30 day waiting period for satellite launches by Russia, Kazakhstan, and Ukraine. Section 1203 amends section 36(d) of the AECA to no longer require advance notification of agreements involving the manufacture abroad of significant military equipment that is valued at less than $7 million in the case of major defense equipment, or $25 million in the case of all other significant military equipment. Section 1204 amends section 38 of the AECA to establish an accelerated and streamlined munitions license approval procedure of ten days for Australia and the United Kingdom. The procedure would apply to those defense articles, services, and technology that are currently exempt by regulation (i.e. section 126.5 of the International Traffic in Arms Regulations, title 22 C.F.R.) from prior U.S. Government review and licensing requirements when they are to be exported or transferred to Canada. Section 1205 of the House bill would require the Secretary of State to establish a coordinator for small business affairs in the Office of Defense Trade Controls to serve as a point of contact for U.S. small businesses on export licensing, registration, and other matters.

The House bill also contains two reporting requirements. Section 1201 requires the Secretary of State, in consultation with the Secretaries of Commerce and Defense, and the Attorney General, to provide an annual certification and report to Congress on U.S. missile technology export controls. The intent is to ensure that U.S. missile technology controls are clearly established and kept up-to-date, in light of the special threat to U.S. security interests that would be presented by the unauthorized export and proliferation of missile technologies. Section 1206 contains a sense of the Congress provision noting that administrative, licensing and compliance-related functions associated with arms exports under section 38 of the Arms Export Control Act could be expedited by a reduction in those matters necessitating inter-agency referral outside of the State Department, or by co-locating munitions control functions of the Departments of State, Defense, and Homeland Security. Section 1206 requires the Secretary of State to consult with the Secretaries of Homeland Security and Defense, and the public — through the U.S. Government's federal advisory committee structure — to examine the relative advantages and disadvantages of

co-location of munitions control functions, and to report on this matter to the appropriate committees of Congress within 180 days of enactment of this provision.[28]

On May 29, 2003, the Senate Foreign Relations Committee reported S. 1161, a bill to authorize foreign assistance for FY2004. Subsequently on March 4, 2004, the Foreign Relations Committee ordered reported S. 2144, an original bill which incorporated most of the elements of S. 1161. The latest committee bill (S. 2144) contains technical amendments to current law. Section 2231 of S. 2144, as reported, raises the minimum dollar thresholds at which sales of certain defense articles, design and construction services, and major defense equipment (or upgrades of such sales) must be reported to Congress under Section 36 of the Arms Export Control Act (AECA). These thresholds were raised from $14 million to $50 million for major defense equipment, from $50 million to $100 million for defense articles and defense services, and from $200 million to $350 million for design and construction services. Section 2232 requires the President to make certifications to Congress under section 36(c)(1) of the AECA before issuing comprehensive authorizations (under section 126.14 of the International Traffic in Arms Regulations (ITAR) Title 22 C.F.R.) for the export of defense articles or defense services to an eligible country or foreign partner. Section 2233 provides an exception to the requirements for bilateral agreements for country exemptions from International Traffic in Arms Regulations contained in section 38(j)(A) of the AECA with respect to transfers of certain U.S.-origin defense items within Australia. Section 2233 also provides for an exemption from certain export licensing restrictions in Section 38(j) of the AECA for the United Kingdom. Section 2233 further provides that not later than 30 days before authorizing any 38(j) exemptions for Australia or the United Kingdom, the President must make specific certifications to Congress regarding such exemptions. In addition, the President is required to make an annual report to Congress for five years detailing various actions taken by the United States with the Governments of Australia and the United Kingdom relating to these exemptions. Section 2238 grants eligibility to Haiti for the purchase of defense articles and services for the Haitian Coast Guard under the AECA, subject to existing notification requirements.

*CRS Products*

For related background see CRS Report RL31675, *Arms Sales Congressional Review Process*; and CRS Report RL31559, *Proliferation Control Regimes: Background and Status*.

## Security Assistance[29]

H.R. 1950, as passed by the House, contains, in Title XIII, a number of provisions relating to military assistance and arms export control, including authorizations for appropriations for a number of security assistance programs. Specifically, the House bill contains provisions providing funding authorizations for Foreign Military Sales and Financing, International Military Education and Training, de-mining assistance, and the non-proliferation and disarmament fund. A variety of technical language changes to existing law are made. Authority is also provided to transfer certain obsolete or surplus war reserve defense articles to Israel, and the authority is expanded to loan to friendly foreign countries, material, supplies, and equipment for research and development purposes. Title XIII includes provisions establishing reporting requirements to Congress relating to U.S. cooperative efforts with foreign governments to foster development and deployment of defenses against missile attack, as well as the obligation to submit to the House International Relations Committee all reports provided to the Senate Foreign Relations

[28] For related background see CRS Report RL31675, Arms Sales Congressional Review Process; and CRS Report RL31559, Proliferation Control Regimes: Background and Status.

Committee on Strategic Offensive Reductions between the U.S. and the Russian Federation. Funding authorization is provided for refurbishment and various costs associated with the transfer of up to four maritime interdiction patrol boats for Mozambique. The House bill also contains a statement of the House of Representatives regarding the treaty with the Russian Federation on Strategic Offensive Reductions, as well as a statement of Congressional findings regarding Iran's program to develop a nuclear explosive device.

On May 29, 2003, the Senate Foreign Relations Committee reported S. 1161, to authorize foreign assistance for FY2004. Subsequently on March 4, 2004, the Foreign Relations Committee ordered reported S. 2144, an original bill which incorporated most of the elements of S. 1161. The latest committee bill (S. 2144) contains a number of provisions relating to military assistance and arms export control, including authorizations for appropriations for a number of security assistance programs. Specifically, the committee bill contains funding authorizations for Foreign Military Sales and Financing, de-mining assistance, the non-proliferation and disarmament fund, and International Military Education and Training (IMET). The Senate bill makes various technical changes to existing law. Section 2204 creates the authority for the Secretary of State to receive lethal excess property from other U.S. Government agencies for the purpose of providing it to foreign governments. Section 2207 authorizes the President to waive the requirement that net proceeds from the disposal of defense articles granted to a foreign country be paid to the United States. Section 2208 authorizes the President to transfer certain obsolete or surplus defense items to Israel, in exchange for concessions of equivalent value, with the requirement that Congress receive prior notification before any transfer is made. Section 2209 authorizes the President, through FY2004, to transfer excess items to the Defense Department's War Reserve Stockpile in Israel. Section 2212 makes permanent an authority to allow the State Department and USAID to dispose of de-mining equipment on a grant basis in foreign countries. Section 2213 updates authorities provided to the President in Section 614 of the Foreign Assistance Act, to waive restrictions on providing economic and military assistance, and increases the amount of assistance that can be provided, through use of this authority, to any single country from $50 million to $75 million in any fiscal year. Section 2240 provides statutory authority to transfer certain naval vessels by grant to Bahrain and to Portugal, and by sale to Chile.[30]

*CRS Products*

For funding levels for military assistance programs that are associated with this legislation see CRS Report RL31811, *Appropriations for FY2004: Foreign Operations, Export Financing, and Related Programs*.

## Terrorist Organizations[31]

The overall purpose of Section 501 in S. 2144 is to make it harder for terrorist organizations to be removed from designation as a Foreign Terrorist Organization absent a petition by a designated entity itself and/or review by the Secretary of State. It also prevents groups from using aliases to evade the law. It is intended to improve U.S. ability to keep track of, and sanction, these groups.

Section 501(a) removes the current requirement set forth in Section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) that the designation of an organization as a Foreign Terrorist Organization (FTO) automatically lapse after two years unless the Secretary of State renews it. Instead it places the onus on the FTO to petition to ask to be removed. If the FTO does not

[30] For funding levels for military assistance programs that are associated with this legislation see CRS Report RL31811, *Appropriations for FY2004: Foreign Operations, Export Financing, and Related Programs*.

petition to be removed within a four-year period, however, then the Secretary must take the initiative and review the designation to determine whether or not it should continue. As amended, neither the results of the four-year evaluation nor the procedures established to make such an evaluation are subject to judicial review; thus, there is much more procedural protection if the FTO chooses to challenge the designation before the four-year review. The ability to revoke the FTO's designation by act of Congress also stays in place.

An interesting implication of these changes is that, in placing the burden on the Foreign Terrorist Organization to come forward, the process could be useful to the U.S. government in gathering counter terrorist intelligence. A terrorist group must reveal its identity and membership, at least to some extent, in order to petition to be removed from the list. Since designation as a terrorist organization carries numerous legal implications, including the possible freezing of U.S. assets and barring of members' entry into the United States, this provision increases the leverage that the Executive branch has in both identifying and potentially controlling terrorist groups — assuming that Foreign Terrorist Organizations are appropriately labeled in the first place.

Section 501(b) gives the Secretary the flexibility to amend an FTO's designation to take into account new or different names that a terrorist group might use. This is an effort to keep the law from being evaded by groups that evolve or change their names but continue to be essentially the same group — an important problem in the current international terrorist environment. Sections 501 (c) and 501 (d) are technical changes designed to make this part of the bill conform to Section 219 of the Immigration and Nationality Act, and to ensure that earlier redesignations of FTOs remain valid.

No similar provisions are in the House bill.

## Terrorist-Related Prohibitions and Enforcement Measures[32]

Title XI of H.R. 1950, as passed by the House, deals with prohibitions that are related to preventing terrorists and their state sponsors from acquiring arms and other materials. Section 1101 amends section 3 of the Arms Export Control Act (AECA) strengthening the ineligibility language to include specific reference to state sponsors of international terrorism and those who trade with them. The next five sections relate to section 38 of the AECA: Section 1102 strengthens and expands the statutory authority of the State Department (administering the President's authority) to regulate access by foreign persons to munitions and other defense articles, even in situations where the foreign person is in the United States and there is no classic "export" involved. (The legislation also notes that this authority must be exercised in close coordination with the Attorney General.) Section 1103 expresses the sense of Congress that new exemptions from licensing requirements should be undertaken after coordination with law enforcement agencies. Section 1104 is a technical amendment that updates language to reflect new legislation enacted since September 11. And Section 1105 attempts to prevent any prohibited material from being exported without a license to the military, police, or intelligence services of embargoed countries unless there is concurrence by both the Secretaries of State and Defense.

Section 1106 changes language in section 40 of the AECA, expanding upon the list of prohibited items that may not be sold to state sponsors of international terrorism. Section 1107, which apparently aims to increase the deterrent effect of the penalties, strengthens the ability to enforce violations of the AECA, for example, by increasing the fines for criminal violations when they involve state sponsors of international terrorism. It also includes technical changes of language in Section 47. Section 1108 changes the standards for high risk exports under Section 38 to require frequent coordination among the Secretary of Homeland Security, the Attorney General, the Director of the Federal Bureau of Investigation, and the Director of Intelligence. Finally, Section

1110 requires the President to submit a report to the Committee about the nature and origin of foreign-supplied items discovered by coalition forces in Iraq.

There are no similar measures in the Senate bill S. 2144.

*CRS Products*

For more information on defense export controls, see CRS Report RL30983, *U.S. Defense Articles and Services Supplied to Foreign Recipients: Restrictions on Their Use*, and CRS Report RL31675 *Arms Sales: Congressional Review Process.*

# Foreign Assistance[33]

## Afghanistan[34]

The House bill (H.R. 1950) contains a provision calling on the Administration to increase its efforts to strengthen the central government in Kabul. The "findings" section of the provision asserts that the U.S.-led reconstruction effort in Afghanistan is in jeopardy because of a lack of security throughout Afghanistan and the limited writ of the U.S.-backed central government in Kabul. The provision, no equivalent of which is contained in the Senate version, calls for expanding the mandate and capabilities of an international peacekeeping force, the International Security Assistance Force (ISAF), and augmentation of the number of forces devoted to U.S.-led "provincial reconstruction teams," — local groupings of U.S. and other forces and aid workers designed to promote the climate for reconstruction.

The provision is likely to be interpreted as a criticism of the Administration and an assertion that the Administration has devoted insufficient resources to the Afghan reconstruction effort. Several recent press articles have reported that, among other difficulties, much of Afghanistan remains under the control of regional leaders, some of whom are clashing with each other, and that international relief organizations are reluctant to work in parts of Afghanistan because of security concerns. In recent statements, Administration officials have identified some of the same security difficulties mentioned in the provision, although Administration statements say that these problems are manageable and are not at a level of intensity where they materially hinder reconstruction or the return of political stability. The departing U.S. commander of the 9,000 U.S. troops still in Afghanistan said in late May 2003 that security is improving to the point where the United States is likely to begin reducing U.S. forces there by mid-2004.[35] According to the former commander, Lt. Gen. Dan McNeill, "the preponderance of the country is enjoying a high degree of stability," and the U.S.-trained Afghan National Army should begin to become self-sufficient within the coming year. Since training began in mid-2002, the United States has trained about 4,500 recruits to the national army and the U.S. and Afghan plan is to build it to a force strength of 70,000. However, many experts believe it will be at least several more years before the army reaches that strength and that, in the interim, the United States and international peacekeeping forces will be needed to ensure stability.

*CRS Products*

CRS Report RL30588, *Afghanistan: Current Issues and U.S. Policy*.

[35] Former Commander: Forces Can Be Reduced Next Year in Afghanistan. *Associated Press*, May 28, 2003.

CRS Report RL31759, *Reconstruction Assistance in Afghanistan: Goals, Priorities, and Issues for Congress*.

CRS Report RL31389, *Afghanistan: Challenges and Options for Reconstructing a Stable and Moderate State*.

## Africa-Related Provisions[36]

S. 2144, as introduced in the Senate on February 27, 2004, contained several Africa-related provisions. Two of these measures, Section 2513, "Support for Sierra Leone," and Section 2515, "Support for Somalia," were stricken from the bill following a Senate Foreign Relations Committee mark-up hearing and vote on March 4, 2004. S. 2144, as amended and reported by the Foreign Relations Committee, contains the following Africa-specific measures:

### Development Fund for Africa

Title XXI, Subtitle A, Section 2101 (d) would technically amend Section 497 of the Foreign Assistance Act of 1961 as it relates to the authorization of appropriations for the Development Fund For Africa.

### African Development Foundation

The African Development Foundation (ADF) is a public corporation and federal agency created by Congress in 1980. Its activities center on the extension of small direct grants to African self-help organizations. Its grant work and other activities, administered primarily by local hires, support community-level self-help initiatives aimed at alleviating poverty, promoting sustainable, participatory development in Africa, and supporting the growth of small, local development institutions. Title XXI, Subtitle C, Section 2132 would authorize $17 million — the amount requested by the Administration in its FY2005 budget request — for the African Development Foundation for FY2005 by amending Section 510 of the International Security and Development Cooperation Act of 1980.[37]

### Congo Basin Forest Partnership (CBFP)

The CBFP is an association of governmental and nongovernmental organizations that supports projects, programs, and policies to promote sustainable management of central African Congo Basin Forest ecosystems and wildlife. It seeks to improve the income earning potential and quality of life of Basin residents through sustainable community-based natural resource and forestry concession management, and agriculture and eco-tourism projects; and help Basin countries to develop effectively-managed parks, protected areas, and ecological corridors. Title XXII, Subtitle A, Section 2223 would endorse the aims of the CBFP and U.S. participation in the initiative, and in "sense of Congress" language recommend that in FY2005 the President should make available "for all [U.S.] agencies participating" in the CBFP "at least" the amount he submitted in his FY2005 foreign assistance budget request.[38]

[37] On the ADF, see the website of the African Development Foundation [http://www.adf.gov] and CRS Issue Brief IB95052, *Africa: U.S. Foreign Assistance Issues*.

[38] On the CBFP, among other sources, see USAID, "Congo Basin Forest Partnership," [http://www.usaid.gov/locations/sub-saharan_africa/initiatives/cbfp.html].

## Independent Media in Ethiopia

According to the State Department, the private press in Ethiopia is active and often publishes articles that are highly critical of the government. Nevertheless, the Department reports, constitutionally-protected freedoms of expression in Ethiopia are frequently restricted by the government, which prosecutes journalists and editors for violating press laws; some journalists practice self-censorship; and "the majority of private papers... [are] printed at government-owned presses." The State Department also reports that "much" of the private press lacks reporting professionalism, and publishes "inaccurate information, unsubstantiated stories, and harsh anti-government articles," though such actions are often not penalized by the government, and some print media are developing into "more responsible" fora.[39] Title XXV, Subtitle B, Section 2513 would authorize the expenditure of "such sums as are necessary" to strengthen the "capacity" of journalists and support increased access to printing facilities by print industry workers in Ethiopia.

## Human Rights Abuse Accountability in Central Africa

Title XXV, Subtitle B, Section 2514 finds that the central African states of Burundi, the Democratic Republic of the Congo, Rwanda, and Uganda "have all been involved in overlapping, regionally destabilizing armed conflicts that have contributed millions of civilian deaths," and that serious, on-going human rights abuses occur in each of these countries. Section 2514 would make it U.S. policy to support efforts to account for serious human rights abuses and crimes that have taken place in central Africa since 1993; programs to prevent the future occurrence of such crimes; and efforts to encourage reconciliation in relation to the past perpetration of such abuses. For such purposes, it authorizes in FY2005 up to $12 million to support the development of responsible justice and reconciliation mechanisms, including programs to "respond to" gender-based violence and increase awareness and prevention efforts to counter it within the four central African states previously noted. It would also require that the Secretary of State submit to congressional committees of jurisdiction a report on U.S. actions taken to implement such a policies.[40]

## African Contingency Operations Training and Assistance (ACOTA)

The ACOTA program seeks to improve select African militaries' capacity to undertake joint multinational peace support operations and humanitarian crises in Africa. ACOTA consists primarily of country-tailored programs integrating classroom instruction, field training, and computer-assisted exercises. These are aimed at building equipment maintenance, force protection, and negotiations skills; and improving logistics support, refugee protection, convoy escort operational, and command and control capabilities, particularly in potentially high-threat contexts. It also includes efforts to improve sub-regional organizations' abilities to mount and jointly coordinate peacekeeping operations.

Title XXV, Subtitle B, Section 2516 would authorize the expenditure of $15 million in FY2005 for support of ACOTA; $15 million for this purpose was requested by the Administration in its

[39] See State Department, "Ethiopia," *Country Reports on Human Rights Practices-2003*, Feb. 25, 2004.

[40] For information on developments in central Africa, see CRS Report RL32128, *Africa's Great Lakes Region: Current Conditions in Burundi, Democratic Republic of the Congo, Rwanda, and Uganda*.

FY2005 budget request. It would also mandate that eligibility for participation in ACOTA be reviewed "at least" annually on the basis of "consideration" of a participant country's willingness to participate in peace support operations; its military capability; its human rights record, particularly with regard to its military; its adherence to democratic governance principles; the nature of civil-military relations within the country; and the candidate country's relations with its neighboring states. In "sense of congress" language, the bill also recommends that "to the extent possible" prior to ACOTA training activities in a given country, the United States provide information about the nature and purpose of such training to that country's nationals, including legislators and non-governmental humanitarian and human rights organizations. It also recommends that relevant U.S. departments and agencies monitor the performance and conduct of military units that receive ACOTA training or support, and that information on such monitoring efforts be reported annually to Congress.

### Debt Relief for the Democratic Republic of Congo (DRC)

The DRC, a central African country emerging from over three decades of dictatorship under the late Mobutu Sese Seko and eight years of armed civil and inter-state war, has a total external debt estimated by the World Bank to be about $8.21 billion in 2002. Of this amount, about $2.28 billion is owed to the United States. Under the Heavily Indebted Poor Country Initiative (HIPC), Title XXI, Subtitle A, Section 2115 would require the President to cancel all debts associated with U.S. loans or credits extended before June 20, 1999, and owed to the United States by the DRC, "subject to the availability of amounts provided in advance in appropriations Acts" and "in addition to" and in a manner not limiting any other U.S. debt relief authority. For such purposes, it would authorize the appropriation in FY2005 and FY2006 of $105 million, to "remain available until expended." The provisions in Section 2115 derive from a Chairman's amendment offered at the request of the Treasury Department.[41]

## The Africa Society[42]

The Africa Society is an organization set up to implement the *National Policy Plan of Action for U.S.-Africa Relations in the 21st Century*, a programmatic document produced by the National Summit on Africa, and to pursue other activities similar to those described in H.R. 1950, as amended. The Summit, held in 2000, culminated a series of U.S. regional policy planning and outreach meetings. These sought to increase U.S. public support awareness of Africa and formulate a grassroots foreign policy strategy to increase public engagement with — and guide — U.S.-Africa relations. The Society, hitherto financially supported by corporate and non-profit organizations, is chaired by former U.S. United Nations ambassador Andrew Young. Its President is Leonard H. Robinson, Jr., a former State Department African Affairs official and the first president of the African Development Foundation. The Society has hosted many Africa-focused public policy forums that have included bipartisan congressional Member and staff participation, as well as African leaders, and Clinton and Bush administration officials. The Society has

[41] For more information on African debt, see CRS Report RS21329, *African Debt to the United States and Multilateral Agencies*. On Congo, see CRS Report RL31080, *Democratic Republic of the Congo: Peace Process and Background* and CRS Report RL32128, *Africa's Great Lakes Region: Current Conditions in Burundi, Democratic Republic of the Congo, Rwanda, and Uganda*. On HIPC, see CRS Foreign Operations Appropriations Briefing Book entry *Debt Reduction—HIPC Initiative*, [http://www.congress.gov/brbk/html/apfor11.html].

initiated a joint project with the University of California, Los Angeles to establish a National Research Institute on African Affairs.

Title XVIII, Section 1815, of H.R. 1950, as passed by the House on July 16, 2003, authorizes the Secretary of State to make grants to the Africa Society of the National Summit on Africa of $1 million in FY2004 and "such sums as may be necessary" in FY2005. Such sums would fund public and private partnership-based programs and activities, defined under "necessary and appropriate" grant agreements, that advance U.S. interests and values in Africa. The bill characterizes such interests as those that support the development in Africa of more open, democratic systems; assist civil society capacity building; increase equitable trade and investment-based economic growth; enhance public and private sector transparency and openness; and promote U.S. public awareness about Africa. Section 1815 had earlier been considered and adopted by voice vote by HIRC on May 8, 2003, after being offered by Representative Donald M. Payne on the same day. Neither S. 925 nor S. 2144 make reference to the Africa Society.

## Colombia and Andean Region Assistance[43]

The House passed H.R. 1950 on July 16, 2003, with several provisions relating to Colombia and neighboring countries in the Andean region, following the recommendations reported out by the House International Relations Committee (House Report 108-105, Part 1) on May 16, 2003. The Senate Foreign Relations Committee (SFRC) reported out S. 925 (Foreign Relations Authorization for FY2004, Senate Report 108-39) on April 24, 2003, with a provision to repeal the requirement for a semi-annual report on extradition of narcotics traffickers from Andean countries; and it reported out S. 1161, Foreign Assistance Authorization Act for FY2004 (Senate Report 108- 56) on May 29, 2003, with several provisions on Colombia. The Senate considered S. 925 on July 9-10, 2003, and added several amendments related to Colombia, but action on it was not completed. On February 27, 2004, S. 2144, the Foreign Affairs Authorization Act, Fiscal Year 2005, was introduced in the Senate.

Reflecting continuing concern with the persistent and complex conflict in Colombia, the spill-over of guerrilla and drug trafficking activities into neighboring countries, and the ongoing involvement of the United States (including the kidnaping and killing of American citizens), HIRC reported out H.R. 1950, with three reporting requirements similar to provisions in the Foreign Relations Authorization for FY2003 (H.R. 1646/P.L. 107-228), and with the provision of additional authority related to the interdiction of illicit arms trafficking. These provisions were subsequently approved by the House without modification.

Section 702 of the House-passed bill requires the Secretary of State, after consulting with internationally recognized human rights organizations, to make a very detailed report to Congress, not later than 30 days after enactment and every 180 days thereafter, on the specific measures that the Colombian authorities are taking to apprehend and prosecute leaders of paramilitary organizations and other terrorist organizations. The Committee report expressed concern about the illegal activities not only of two leftist guerrilla groups — the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) — but also of the rightist paramilitary groups, specifically the United Self Defense Forces of Colombia (AUC), that are reported to be responsible for at least half of all non-combatant killings, torture, and disappearances. Noting that the State Department's March 2003 human rights report found some continuing collusion with the AUC by members of the Colombian security forces, the Committee report stated that Colombia's government has not committed at every level to confront the paramilitaries and to protect civilians from paramilitary abuses.

Section 708 requires the Secretary of State to submit a report on the impact of the U.S. assistance plan known as Plan Colombia on Ecuador and Colombia's neighboring countries to appropriate congressional committees not later than 30 days after enactment. This report is to set forth a comprehensive strategy for United States activities in Colombia, with specific reference to the impact of U.S. assistance on Ecuador and other adjacent countries, and it is to provide the reasons for the failure to submit a report on this subject as required by the Foreign Relations Authorization Act for FY2003. Stating that a State Department report of March 4, 2003 was inadequate, the Committee report expressed the expectation that a new report "will address in detail not only the counter-drug repercussions of Plan Colombia and its successor programs on Ecuador and other adjacent countries, but also the humanitarian and economic development implications of increased eradication efforts for these countries."

Section 1801 provides specific authority for U.S. counter-drug assistance which is being used to support the interdiction of aerial trafficking of illicit narcotics to be used to support the interdiction of illicit arms in connection with illicit drug trafficking. The Committee report notes that "this provision ensures that any and all illegal arms brought into Colombia by aerial means that are in any way trafficked in connection with the illicit drug trade, are also clearly eligible for U.S. assistance in interdicting."

Section 1802 requires the Secretary of State, acting through the Department of State's Narcotics Affairs Section (NAS) in Bogota, Colombia, to ensure, not later than 180 days after enactment, "that all pilots participating in the United States opium eradication program in Colombia are Colombians and are fully trained, qualified and experienced pilots, with preference provided to individuals who are members of the Colombian National Police." The Committee report states that local Colombian police anti-drug pilots are more familiar with the terrain and can be more effective in locating crops, thereby enhancing efforts to eradicate the small but potent opium crop that makes up nearly two-thirds of U.S. heroin use, according to recent United States estimates, while promoting the Colombianization of the programs and reducing the involvement of U.S. private contractors.

On the Senate side, S. 2144, the Foreign Affairs Authorization Act for Fiscal Year 2005, was introduced on February 27, 2004. It includes several provisions relating to Colombia and the Andean region that are similar to language contained in S. 925, the Foreign Relations Authorization Act for Fiscal Year 2004. Responding to a request from the Executive Branch, Section 801 of the bill would repeal the requirement in the Emergency Supplemental Appropriation Act for FY2000 (P.L. 106-246) that the State Department report semi-annually on the extradition of narcotics traffickers from Andean countries. Section 2121 of the bill authorizes funding for international narcotics control programs, including $731 million for the Andean Counterdrug Initiative. These funds can be used to support a "unified campaign against narcotics trafficking and terrorist activities." The bill also maintains the limitations as contained in current law on the number of U.S. military and U.S. contract employees that may be stationed in Colombia in support of Plan Colombia at 400 each. It prohibits U.S. military personnel from engaging in any combat operations, and conditions assistance to Colombia on its respect for human rights.

In floor action on S. 925 on July 10, 2003, the Senate approved two amendments related to Colombia and Andean region assistance, both approved by voice vote. Neither of the amendments are included in S. 2144.S.Amdt. 1162, proposed by Chairman Lugar, added Section 815 which would modify the reporting requirements on U.S. personnel involved in the anti-narcotics campaign in Colombia by changing the frequency of the reports from bimonthly to quarterly, and by clarifying that the reports were to be provided to appropriate committees of Congress. S.Amdt. 1194, proposed by Majority Leader Frist, added Section 2522 which commends the leadership

and people of Colombia for the progress made against illicit drug traffickers and terrorists, and which expresses U.S. support for the efforts of President Uribe and the government and the people of Colombia to preserve and strengthen democracy, human rights, and economic opportunity in Colombia.

On May 29, 2003, the Committee reported out S. 1161, the Foreign Assistance Authorization Act for Fiscal Year 2004, with several modifications on assistance to Colombia and the Andean region. Section 122 authorizes $700 million (rather than the $731 million requested) for the Andean Counterdrug Initiative. It further provides that assistance for Colombia for FY2004 and previous years may be used to support a unified campaign against narcotics trafficking and terrorist activities; and to take actions to protect human health and welfare in emergency circumstances, including undertaking rescue operations. It further provides that U.S. personnel providing such assistance shall be subject to the personnel caps in the Emergency Supplemental Act for 2000, shall not participate in any combat operation in connection with such assistance; and shall be subject to the condition that Colombia is fulfilling its commitment to the United States with respect to its human rights practices, including specific conditions set forth in the Foreign Operations Appropriations for FY2003. Section 502 provides that information on the extent of involvement of U.S. businesses in counter-narcotics activities under State or Defense Department contracts, required by the previous Foreign Relations Authorization, may be reported in the annual report detailing the counter-narcotics performance of drug producing and drug transit countries.

*CRS Products:*

For more information, see the section on Colombia and the Andean Regional Initiative in CRS Report RL31726 *Latin America and the Caribbean: Issues for the 108th Congress,* by Mark Sullivan; CRS Report RL32250 *Colombia: Issues for Congress*, by Connie Veillette; and CRS Report RL32021 *Andean Regional Initiative (ARI): FY2003 Supplemental and FY2004 Assistance for Colombia and Neighbors*, by K. Larry Storrs and Connie Veillette.

## Congo Basin Forest Partnership[44]

Section 1809 of H.R. 1950 authorizes $18.6 million for each of fiscal years 2004 and 2005 for the Congo Basin Forest Partnership (CBFP) program. The Senate bill S. 2144 contains a Congo Basin initiative (sec. 2223), but without specifying a particular funding level. H.R. 1950 notes that the Subcommittee on Africa conducted an oversight hearing on this program, which was announced by Secretary of State Colin Powell in 2002. The bill describes the CBFP as "an impressive and innovative approach to conservation in this environmentally at risk region." The bill also notes that the program will help protect some 25,000,000 acres of landscape against poorly managed and non-managed logging, and states the importance of the tropical forests of the Congo Basin to both human livelihoods, the existence of several species, and environmental protection.

Announced as a key U.S. initiative at the World Summit on Sustainable Development in Johannesburg, South Africa, on September 4, 2002, and in Gabon, one of the key participating countries, the CBFP is a partnership that includes several Congo Basin African countries, the European Union, the World Bank, the International Tropical Timber Organization (ITTO), and a number of non-governmental organizations. In December 2002, the United States announced that the U.S. contribution would be through a $12 million per year increase within the Central African Regional Program for the Environment (CARPE), and that the U.S. plan is to invest or leverage up to $53 million in the CBFP through the year 2005. The non-governmental organizations in the

partnership pledged to match the U.S. government's contribution, and other partners are expected to provide significant additional contributions.

The bill provides for an increase in the announced level of annual support for this program, stating that $16 million each year is authorized for the on-going (CARPE), which will be the lead program through which the United States will participate in the CBFP.

## Foreign Assistance Authorization[45]

Congress last enacted a broad foreign assistance authorization act in 1985. In the absence of omnibus foreign aid measures, the majority of foreign assistance legislation has been enacted as part of annual Foreign Operations appropriation measures. The Foreign Assistance Authorization Act, Fiscal Year 2005, Division B of S. 2144, is an effort to "reinforce" the Senate Foreign Relations Committee's role in foreign assistance policy making. It is not an attempt to comprehensively review and re-write existing foreign aid legislation, but rather it is a first step in providing necessary authorization for program appropriations in FY2005 and updating selected legislative provisions to reflect current policy. Committee Chairman Lugar said that it was his intent to launch a more ambitious effort in the future to revamp the Foreign Assistance Act of 1961 and other long-standing foreign aid laws.

Division B is divided into five titles. Title XXI includes FY2005 authorizations of appropriations for most but not all foreign aid programs. Title XII updates and amends several existing foreign aid authorities, some of which have been annually extended in appropriation acts in recent years. Title XXIII is the Radiological Terrorism Security Act. Title XXIV is the Global Pathogen Surveillance Act. Title XXV consists of several provisions, some of which address Latin America and Africa issues, including additional aid for Haiti.

The legislation authorizes the appropriation of about $16.9 billion for 22 foreign assistance programs, closely matching the account structure of the annual Foreign Operations appropriations for bilateral economic and military aid. The amounts authorized are nearly identical to levels requested by the Administration for FY2005, although the bill would increase spending for HIV/AIDS, development aid, assistance to the former Soviet Union and Eastern Europe, and nonproliferation programs, while reducing amounts for the Millennium Challenge Account.

Title XXII addresses the threat posed by terrorist use of radiological dispersal devices, or RDDs. These devices spread radioactive material, whether by a chemical explosive ("dirty bombs") or by spraying, scattering, or dumping it without an explosive. The legislation requires the Secretary of State to prepare and submit to Congress reports assessing the threat of a radiological attack on U.S. missions. The bill further authorizes the Secretary to aid foreign countries, or propose that the International Atomic Energy Agency (IAEA) develop programs, helping foreign first responders identify and address threats posed by radioactive materials.

The legislation also includes the Global Pathogen Surveillance Act, authorizing $35 million for FY2005 to enhance the capability of developing nations to detect, identify, and contain infectious disease outbreaks, whether naturally occurring or the result of a bioterrorist attack. The measure includes several provisions that are intended to support and strengthen the disease surveillance capabilities of developing nations. Additionally, it would permit the expansion of Centers for Disease Control and Prevention facilities overseas to further the goals of global disease monitoring.

Although the House International Relations Committee did not consider a broad foreign assistance authorization separately or as part of the Foreign Relations Authorization bill, H.R. 1950 includes a few similar provisions mostly related to security assistance issues. In addition,

the Senate measure addresses reporting requirements concerning U.S. counternarcotics aid to Colombia and the Congo Basin Initiative, other matters included in H.R. 1950. See above under this chapter and the section on Security Assistance for details regarding these provisions. For the most part, however, Division B of S. 2144 would introduce many new issues that are not addressed in H.R. 1950 should House and Senate negotiators meet in a conference committee to resolve differences between the two bills.

*CRS Products*

CRS Report RL31959. *Foreign Assistance Authorization Act, FY2005.*

## HIV/AIDS Assistance for the Caribbean and India[46]

In May 2003, Congress approved the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, H.R. 1298 (P.L. 108-25), which authorized $3 billion per year for FY2003 through FY2008 to fight the three diseases worldwide. The legislation focused on assisting 12 African countries plus Guyana and Haiti, two of the poorest nations in the Western Hemisphere with high HIV prevalence rates, although the legislation notes that other countries may be designated by the President. Some Caribbean leaders and Members of Congress want to expand the Caribbean countries that would benefit from the assistance, arguing that high mobility in the region necessitates a regional approach in combating the epidemic. They are concerned that only Haiti and Guyana have been identified as countries to benefit from the Bush Administration's plans for increased assistance to combat HIV/AIDS, and that other Caribbean countries will be overlooked. Others have noted that the legislation does not preclude the President from designating additional Caribbean or other countries.

Both the House-passed FY2004-FY2005 Foreign Relations Authorization Act, H.R. 1950 (Section 1818), and the Senate Foreign Relations Committee's reported FY2005 Foreign Affairs Authorization Act, S. 2144 (Section 2518), have provisions that would add 14 Caribbean countries to those already listed in the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, H.R. 1298 (P.L. 108-25). The additional countries are Antigua and Barbuda, Barbados, the Bahamas, Belize, Dominica, Grenada, Jamaica, Montserrat, St. Kitts and Nevis, St. Vincent and the Grenadines, St. Lucia, Suriname, Trinidad and Tobago, and the Dominican Republic. The provision in H.R. 1950 was added during July 15, 2003, House consideration of the bill; a Rangel amendment (H.Amdt. 247) adding the language was approved by voice vote.

In addition, S. 2144 (Section 2519), would add India to the list of countries listed in the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003, H.R. 1298 (P.L. 108-25). With more than four million Indians infected with HIV, the country has the second largest HIV-infected population in the world, second to South Africa. H.R. 1950 does not have a similar provision on India, which some are concerned would absorb too large a portion of the funds available.

*CRS Products*

CRS Report RS21181, *HIV/AIDS International Programs: Appropriations, FY2002 - FY2005*, by Raymond W. Copson

CRS Report RL32001, *AIDS in the Caribbean and Central America*, by Mark P. Sullivan.

## International Family Planning Aid and the U.N. Population Fund[47]

House and Senate bills have each addressed contentious but different provisions relating to U.S. international family planning assistance and abortion, although the House voted to delete a Committee-added section in H.R. 1950 regarding U.S. funding for the U.N. Population Fund (UNFPA). The Senate, however, during July 2003 floor debate on S. 925, added a provision that would effectively reverse the President's so-called "Mexico City" policy. The current Senate bill, S. 2144, does not contain a provision on UNFPA. These issues have been among the most controversial matters considered by Congress in foreign aid legislation for nearly two decades.

### U.N. Population Fund[48]

UNFPA is the world's largest international source of funding for family planning and reproductive health programs, providing nearly $6 billion in assistance to over 140 countries since 1969. The United States, which had been one of the organization's largest donors, suspended support for UNFPA in 1985 because of concerns over practices of forced abortions and involuntary sterilizations in China where UNFPA maintained programs. Congress passed the so-called Kemp-Kasten amendment in that year and in each subsequent year as part of the annual Foreign Operations appropriations. The amendment bars U.S. funding to any organization that supports or participates "in the management" of a program of coercive abortion or involuntary sterilization. Presidents Reagan and Bush found UNFPA to be in violation of Kemp-Kasten, a position that was reversed in 1993 by President Clinton. In most years since 1993, Congress appropriated about $25 million for UNFPA, but required that the amount be reduced by however much UNFPA spent in China.

Beginning in FY2002, however, the United States has withheld support for UNFPA. The matter became especially controversial after Congress approved not more than $34 million for UNFPA in FY2002 appropriations. The White House, however, froze the funds because new evidence suggested that coercive practices were continuing in Chinese counties where UNFPA worked. A State Department team reviewing the situation (May 2002) concluded that there was no evidence that UNFPA "knowingly supported or participated in the management of a program of coercive abortion or involuntary sterilization," although the team found that China maintains coercive elements in its population programs. Despite the team's recommendation to release the $34 million, Secretary of State Powell determined on July 22, 2002, to withhold funds to UNFPA and to recommend that they be re-directed to other international family planning and reproductive health activities. The State Department said that even though UNFPA did not "knowingly" support or participate in a coercive practice, that alone would not preclude the application of Kemp-Kasten. Instead, a finding that the recipient of U.S. funds — in this case UNFPA — simply supports or participates in such a program, whether knowingly or unknowingly, would trigger the restriction.

For FY2003 Congress approved in P.L. 108-7 a provision allocating $34 million to UNFPA, so long as several conditions were met. The most significant requirement is that the President must certify that UNFPA is no longer involved in the management of a coercive family planning program. The President did not make the required determination, however, and resources for the organization have been reprogrammed for other purposes.

[48] Prepared by Larry Nowels, Specialist in Foreign Affairs, Foreign Affairs, Defense and Trade Division.

For years in which the United States did not contribute to UNFPA, critics have argued that U.S. policy was undermining the most important international family planning organization and limiting reproductive health programs in over 140 countries in which UNFPA operates because of coercive practices in one nation. Supporters of cutting off support for UNFPA contend that by withdrawing from China, UNFPA could immediately restore its eligibility for U.S. funding and remove itself from involvement with a national program that includes practices contrary to UNFPA's own non-coercive policies.

During markup on H.R. 1950, the House International Relations Committee approved a Crowley amendment that would have authorized $50 million for a U.S. contribution to UNFPA for each of FY2004 and FY2005. The Crowley amendment further would have altered existing law for determining UNFPA eligibility by requiring that the President find that UNFPA did not "directly" support or participate in coercive or involuntary activities. This would appear to have made it more difficult for the President to block funding for UNFPA than under conditions that apply for FY2003. Not only did the Crowley amendment add the word "directly," but it also defined the circumstances under which UNFPA would be found ineligible as "knowingly and intentionally working with a purpose to continue, advance or expand the practice of coercive abortion or involuntary sterilization, or playing a primary and essential role in a coercive or involuntary aspect of a country's family planning program." Nevertheless, during floor debate, the House voted 216-211 to delete the Crowley amendment.

*CRS Products*

CRS Issue Brief IB96026. *Population Assistance and Family Planning Programs: Issues for Congress.*

## Mexico City Policy

With direct funding of abortions and involuntary sterilizations banned by Congress since the 1970s, the Reagan Administration in 1984 announced that it would further restrict U.S. population aid by terminating USAID support for any organizations (but not governments) that were involved in voluntary abortion activities, even if such activities were undertaken with non-U.S. funds. U.S. officials presented the revised policy at the 2nd U.N. International Conference on Population in Mexico City in 1984. Thereafter, it become known as the "Mexico City" policy. The policy continued in effect until lifted by President Clinton in 1993, but was re-imposed by President Bush in early 2001.

Critics of the Mexico City requirements oppose it on several grounds. They argue that family planning organizations may cut back on services because they are unsure of the full implications of the restrictions and do not want to risk losing eligibility for USAID funding. Opponents also believe the conditions undermine relations between the U.S. government and foreign NGOs and multilateral groups, creating a situation in which the United States challenges their sovereignty on how to spend their own money and impose a so-called "gag" order on their ability to promote changes to abortion laws and regulations in developing nations. The latter restriction, these critics note, would be unconstitutional if applied to American groups working in the United States.

Supporters of the policy argue that even though permanent law bans USAID funds from being used to perform or promote abortions, money is fungible; that organizations receiving American-taxpayer funding can simply use USAID resources for legal activities while diverting money raised from other sources to perform abortions or lobby to change abortion laws and regulations. The policy, they contend, stops the fungibility "loophole."

During debate on S. 925, the Senate approved on July 9 an amendment offered by Senator Boxer that would effectively overturn the President's Mexico City policy. (The Senate failed to table the amendment 43-53.) Specifically, the Boxer language states that foreign NGOs shall not be ineligible for U.S. funds solely on the basis of health or medical services they provide (including counseling and referral services) with non-U.S. government funds. This exemption would apply so long as the services do not violate the laws of the country in which they are performed and that they would not violate U.S. laws if provided in the United States. The amendment further provides that non-U.S. government funds used by foreign NGOs for advocacy and lobbying activities shall be subject to conditions that also apply to U.S. NGOs. Since it is largely held that American NGOs would not be subject to these restrictions under the Constitutional protection of free speech, it is possible that this latter exemption would lift current prohibitions that apply to overseas NGOs. The White House says that the President would veto any legislation that includes a provision like the Boxer amendment.

*CRS Products*

CRS Issue Brief IB96026. *Population Assistance and Family Planning Programs: Issues for Congress.*

## International Narcotics Control[49]

In the area of international narcotics control, interest often centers on Plan Colombia and its spillover effect on neighboring countries. An important U.S. policy objective is an effective narcotics control program in Colombia, one in which eradication of crops and law enforcement/interdiction play central roles. Complicating U.S. narcotics policy objectives in Colombia is widespread corruption — considered to be less in the Colombian National Police than in other institutions involved in counter-narcotics. Also complicating U.S. policy objectives are concerns that those involved in counter-narcotics may not maximize respect for human rights or may commit atrocities in a campaign against members of the Revolutionary Armed Forces (FARC). Finally, many are concerned that U.S. personnel could be drawn into a combatant role in what is perceived by a growing number of analysts as a seemingly endless and unwinnable war, thereby prompting efforts to minimize direct participation by U.S. personnel in counter-narcotics operations. A major criticism of U.S. foreign drug control policy initiatives from some commentators is that they are overly "Colombia centric."

The Foreign Affairs Authorization Act, Fiscal Year 2005 (S. 2144) contains a number of provisions that refer to international narcotics control issues. All of these provisions relate either directly, or indirectly to Colombia.

Section 2121 (b) of the Act continues existing limitations on the assignment of U.S. personnel in Colombia found in the Emergency Supplemental Act, 2000 (Section 3204 of P.L. 106-246) which limits assigned military personnel to 500 and contractors to 300. Contractors are prohibited from participating in combat operations as well. Section 2121(b) also conditions assistance to fulfilment by the Government of Colombia of its commitment to human rights practices.

Reporting requirements in the counter-narcotics arena are reduced in the Act. Section 801 repeals requirements for a semi-annual report on extradition of narcotics traffickers, and Section 2502 reduces the amount of work required on annual reports on activities in Colombia by permitting incorporation of language from one required report into another.

*CRS Products:*

CRS Issue Brief IB88093, *Drug Control: International Policy and Approaches*.

CRS Report RS21213, *Colombia: Summary and Tables on U.S. Assistance, FY1889-FY2004.*

CRS Report RL30541, *Colombia: Plan Colombia Legislation and Assistance*.

CRS Report RL31383, *Andean Regional Initiative (ARI): FY2002 Supplemental and FY2003 Assistance for Colombia and Neighbors*.

CRS Report RS20494, *Ecuador: International Narcotics Control Issues*.

CRS Report RS21317: *Ecuador: Political and Economic Conditions and U.S. Relations*.

## Assistance for Vietnam[50]

The House version of H.R. 1950 contains a section, Division E, that bans increases in certain non-humanitarian aid programs to the Vietnamese government if the President does not certify that Vietnam is making "substantial progress" in human rights. In FY2003, the Bush Administration planned to spend about $6.6 million on programs — primarily focused on promoting Vietnamese business law and U.S.-Vietnam trade relations — that would be affected by Division E.[51] The Division E provisions would allow the President to waive the cap on aid increases. The original version of Division E was introduced as the Vietnam Human Rights Act in April 2003. For FY2003, the United States government pledged $28 million in aid to Vietnam.

*CRS Products*

For more details, see CRS Issue Brief IB98033, *Foreign Assistance to Vietnam*.

[51] These programs appear likely to be affected by Division E because they meet three conditions: 1) they are authorized under the Foreign Assistance Act of 1961 (Division E defines non-humanitarian assistance as any assistance under the 1961 act); 2) the legislation authorizing these aid programs does not have "notwithstanding" language that would exempt the program from restrictions in other legislation; and 3) the aid programs do not appear on Division E's list of exempted categories.

# Appendix.

## State Department Authorization History

Authorization of State Department appropriations are required by law every two years. Typically, the authorization is passed in the first year of a new Congress for the following even/odd year authority.

**FY1973** — P.L. 93-126

**FY1975** — P.L. 93-475

**FY1977** — P.L. 94-350

**FY1978** — P.L. 95-105

**FY1979** — P.L. 95-426

**FY1984**-1985 — P.L. 98-164

**FY1986-87** — P.L. 99-93

**FY1988-89** — P.L. 100-204

**FY1990-91** — P.L. 101-246

**FY1992-93** — P.L. 102-138

**FY1994-95** — P.L. 103-236

Government shutdown — Nov. 1995 — Jan. 1996

**FY1996** — P.L. 104-134, Sec. 405 (appropriations legislation)

**FY1997** — P.L. 104-208, Sec. 404 (appropriations legislation)

**FY1998-99** — State Dept authorization was passed in the omnibus appropriations bill, Nov. 1998 — P.L. 105-277

**FY2000-2001** — P.L. 106-113, (H.R. 3427), appendix G of consolidated appropriations Act/D.C. appropriations legislation

**FY2002** — authorization requirement waived for FY2002 in CJS appropriations Act. (Section 405, P.L. 107-77, signed Nov. 28, 2001)

**FY2003** — P.L. 107-228, authorization for FY2003, signed September 30, 2002.

## Table A-1. Table 1. State Department and Related Agencies Appropriations and Proposed Authorizations

(millions of dollars)

| | Approp. FY2001 Enacted | Approp. FY2002 Enacted | Supplemental Approps since 9/11[a] | Approp. FY2003 Enacted | Approp. FY2004 Request | Auth. Senate S. 2144 FY2005 | Auth. House H.R. 1950 FY2005 |
|---|---|---|---|---|---|---|---|
| **State Department** | | | | | | | |
| Diplomatic & Consular Program | 3,167.2 | 3,630.1 | 281.9 | 3,822.3 | 4,163.5 | 4,239.0 | 4,438.8 |
| Public Diplomacy | -.- | (270.3) | -.- | (292.7) | (287.7) | -.- | (329.8) |
| Worldwide Security Upgrades | (409.1) | (487.7) | -.- | (553.0) | (646.7) | (658.7) | (679.7) |
| Democracy, Human Rights and Labor | -.- | -.- | -.- | -.- | -.- | -.- | (20.0) |
| Minority recruitment | -.- | -.- | -.- | -.- | -.- | -.- | (2.0) |
| Ed & cultural exchange programs | 231.6 | 237.0 | 15.0 | 245.3 | 345.3[b] | 375.3 | 405.0 |
| Fulbright Academic Exchange | (123.4) | (118.0) | -.- | (123.0) | (127.4) | (150.0) | (142.0) |
| Office of Inspector General | 28.4 | 29.0 | -.- | 29.3 | 31.7 | 31.4 | 32.7 |
| Representation allowances | 6.5 | 6.5 | -.- | 6.5 | 9.0 | 8.6 | 9.0 |
| Protec.-missions & officials | 15.4 | 9.4 | -.- | 11.0 | 10.0 | 9.6 | 10.0 |
| Embassy security/constr/maintenance | 1,077.6 | 1,274.0 | 412.9 | 1,263.5 | 1,514.4 | 1,569.0 | 1,784.0 |
| Worldwide security upgrades** | (661.2) | (816.0) | -.- | (755.0) | (861.4) | -.- | (1,000.0) |
| Emergency-diplo. & consular services | 5.5 | 6.5 | 101.0 | 6.5 | 1.0 | 7.0 | Unspecified |
| Repatriation loans | 1.2 | 1.2 | -.- | 1.2 | 1.2 | 1.2 | 1.2 |
| Payment American Inst. Taiwan | 16.3 | 17.0 | -.- | 18.5 | 19.8 | 19.5 | 20.8 |
| Foreign Service Retirement Fund | 131.2 | 135.6 | -.- | 138.2 | 135.0 | -.- | -.- |
| Capitol Investment Fund | 96.8 | 203.0 | 15.0 | 183.3 | 157.0 | 155.1 | 161.7 |
| **International Organ. & Conf.** | | | | | | | |
| Contributions to international organizations | 868.9 | 850.0 | -.- | 866.0 | 1,010.5 | 1,194.2 | 1,040.8 |
| Contributions to international peacekeeping | 844.1 | 844.1 | -.- | 673.7 | 50.2 | 650.0 | Unspecified |

| | Approp. FY2001 Enacted | Approp. FY2002 Enacted | Supplemental Approps since 9/11[a] | Approp. FY2003 Enacted | Approp. FY2004 Request | Auth. Senate S. 2144 FY2005 | Auth. House H.R. 1950 FY2005 |
|---|---|---|---|---|---|---|---|
| U.N. Arrearage payments | -.- | -.- | -.- | -.- | -.- | -.- | -.- |
| **Total International Commissions** | **56.1** | **60.5** | **-.-** | **57.5** | **71.7** | **70.4** | **69.6** |
| **Related Appropriations** | | | | | | | |
| The Asia Foundation | 9.2 | 9.3 | -.- | 10.4 | 9.3 | 8.9 | 18.0 |
| National Endowment for Democracy | 30.9 | 33.5 | -.- | 42.0 | 36.0 | 80.0 | 47.0 |
| Reagan-Fascell Democracy Fellow | -.- | -.- | -.- | -.- | -.- | -.- | 1.0 |
| Benjamin Gillman Int'l Scholars Program | -.- | -.- | -.- | -.- | -.- | -.- | 2.5 |
| East-West Center | 13.5 | 14.0 | -.- | 18.0 | 14.3 | 13.7 | 14.3 |
| North-South Center | -.- | -.- | -.- | -.- | -.- | 2.0 | (1.0) |
| Eisenhower Exchange | 0.5 | 0.5 | -.- | 0.5 | 0.5 | -.- | -.- |
| Israeli Arab Scholarship | 0.3 | 0.4 | -.- | -.- | -.- | -.- | -.- |
| Migration/Refugees | 698.5 | 705.0 | -.- | 787.0 | 760.2 | 729.8 | 957.0 |
| **Total State Department** | **7,299.7** | **8,066.6** | **825.8** | **8,180.7** | **8,840.6** | **9,254.7** | **8,966.9** |
| **International Broadcasting** | | | | | | | |
| Capital Improvements | -.- | 25.9 | -.- | 12.7 | 11.4 | 8.6 | 11.4 |
| Broadcasting Operations | -.- | 428.2 | -.- | 468.9 | 525.2 | 575.7 | 612.1 |
| Broadcasting to Cuba | -.- | 24.9 | -.- | 25.0 | 26.9 | -.- | 27.4 |
| **Total International Broadcasting** | **450.4** | **479.0** | **93.5** | **506.6** | **563.5** | **584.3** | **650.9** |
| **TOTAL State & Broadcasting** | **7,750.1** | **8,545.6** | **919.3** | **8,687.3** | **9,404.1** | **9,839.0** | **9,617.8** |

*FY2002 enacted numbers do not include funds provided in the Emergency Supplemental Appropriation Act (P.L. 107-38).

**P.L. 106-113 sec. 604 authorized up to $900 million for FY2000 through FY2004.

a. Includes funding supplementals from P.L. 107-38; P.L. 107-117, P.L. 107-206, and P.L. 108-11.

b. Funding level includes a transfer of $100.040 million from Foreign Operations appropriations to State Department appropriations for FSA and Seed programs.

## Author Information

Susan B. Epstein, Coordinator
Specialist in Foreign Policy

## Disclaimer